

OFFERING MEMORANDUM

# JACK IN THE BOX

4750 Gosford Rd | Bakersfield, CA 93313

#### EXCLUSIVELY LISTED BY

## KEEGAN MULCAHY Associate

Direct +1 310 955 1782 Mobile +1 415 847 5588

keegan.mulcahy@matthews.com License No. 02067187 (CA)

#### CHUCK EVANS

Senior Associate

Direct +1 310 919 5841 Mobile +1 925 323 2263

chuck.evans@matthews.com License No. 01963473 (CA)

### **CALVIN SHORT**

SVP & Senior Director

Direct +1 949 432 4506 Mobile +1 310 567 3525

calvin.short@matthews.com License No. 01927216 (CA)



#### OFFERING MEMORANDUM



05
Financial Overview

06
Tenant Overview

09
Area Overview

## STRATEGIC LOCATION

- Outparceled to Home Depot Center Home Depot provides a constant influx of traffic to the location and stands as the world's largest home improvement retailer with over 2,200 stores in the U.S., Canada, and Mexico
- · High Traffic Corner Property is located on the corner of Gosford Rd and Pacheco Rd, benefiting from approximately 29,486 VPD.
- Rapidly Growing Community With over 240,000 people in a 5-mile radius, the population has grown +10.56% since 2010 and is projected to grow 3.69% by 2024.
- Close Proximity to Major University Located 2.5 miles from California State University at Bakersfield (10,000 + Students)
- Bakersfield is the #1 city in the country for agricultural production and is the #2 oil producing county in the nation.

## **ICONIC CONCEPT**

- Corporate Guarantee Property is 100% leased to Jack in the Box corporate, one of the most recognized restaurant concepts in the world with approximately 2,251 locations and a market cap of over \$3 billion
- Long Operating History Tenant has successfully run the location for nearly two decades
- Drive-Thru Sales Enhancement 70% of Jack in the Box sales occur through the drive-thru
- ZERO Landlord Responsibilities Over 5-Years remaining on absolute NNN lease
- Options to renew Tenant has Two (2) Five (5) Year Options
- Hedge Against Inflation Lease contains 10% rental increases every five (5) years

## FINANCIAL OVERVIEW

## **JACK IN THE BOX**

4750 Gosford Rd, Bakersfield, CA 93313

List Price	\$2,395,000
CAP Rate	5.01%
Gross Leasable Area	± 2,500 SF
Lot Size	± 1.59 AC
Year Built	1999

## **RENT SCHEDULE**

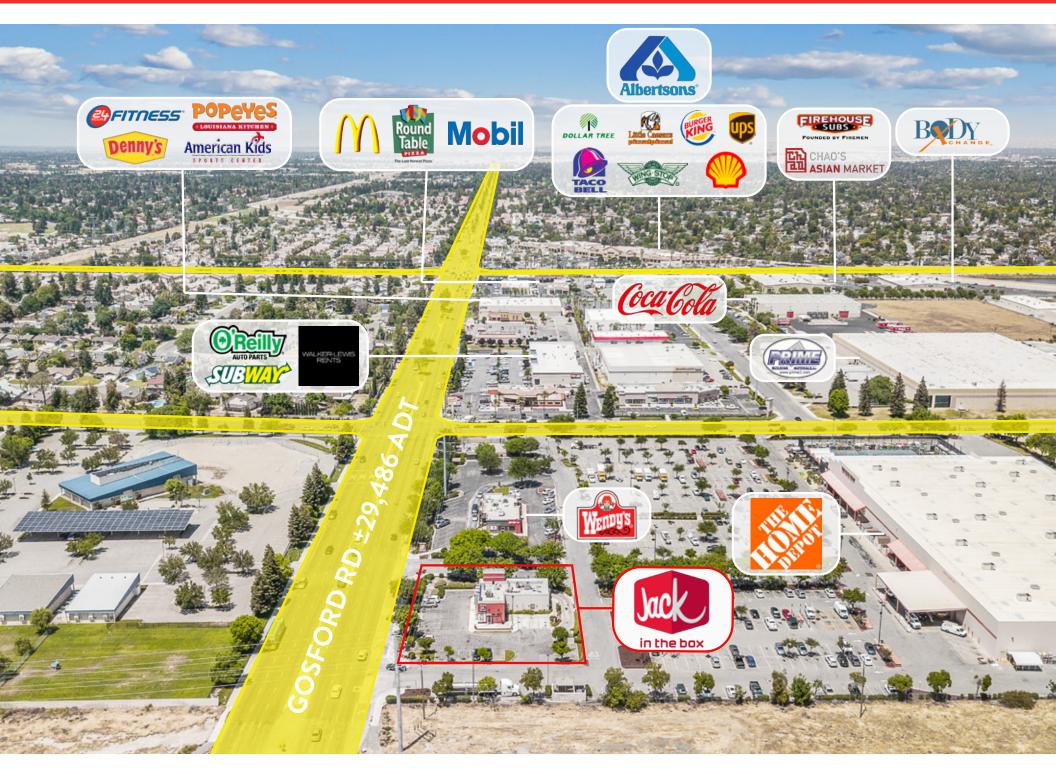
	Monthly Rent	Annual Rent	Rent PSF
Year 1-5	\$10,000.00	\$120,000.00	\$25.20
Option 1	\$11,000.00	\$132,000.00	\$27.73
Option 2	\$12,100.00	\$145,200.00	\$30.50

## **TENANT SUMMARY**

Tenant	Jack in the Box
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Absolute NNN
Roof and Structure	Tenant Responsible
Original Lease Term	20 years
Lease Commencement Date	7/21/1999
Lease Expiration Date	11/25/2024*
Term Remaining	±5.5 Years
Increases	10% in Options
Options	Two, Five (5) Year Options

 $<sup>^*</sup>$  Lease was amended in 2014 to extend the lease expiration date to 11/25/2024







#### **AREA OVERVIEW**

## **BAKERSFIELD, CA**

Bakersfield is a city and the county seat of Kern County, California, United States. It covers about 142 square miles near the southern end of the San Joaquin Valley and the Central Valley region. Bakersfield's population is approximately 380,000, making it the ninth most populous city in California and the 52nd-most populous city in the nation.

The city is a significant hub for both agriculture and oil production. Kern County is the most productive oil-producing county, and the fourth most productive agricultural county (by value) in the United States. Industries include natural gas and other energy extraction, aerospace, mining, petroleum refining, manufacturing, distribution, food processing, and corporate regional offices. The city is also the birthplace of the country music genre known as the Bakersfield sound.

## **DEMOGRAPHICS**

POPULATION	1-MILE	3-MILE	5-MILE
2024 Projection	16,805	116,758	251,429
2019 Estimate	16,093	111,536	240,778
2010 Census	14,826	98,703	217,929
Growth 2019-2024	4.42%	4.68%	4.42%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2024 Projection	5,321	37,423	78,316
2019 Estimate	5,113	35,972	75,461
2010 Census	4,787	32,756	69,837
Growth 2019-2024	4.07%	4.03%	3.78%
INCOME	1-MILE	3-MILE	5-MILE
2019 Average Household Income	\$88,271	\$91,640	\$80,802

## BAKERSFIELD QUICK FACTS



9th-Most Populated City in California



Oil Capital of California



Has Some of the Largest Farms in the Country

## **BAKERSFIELD ECONOMY**

Bakersfield's historic and primary industries have related to Kern County's two main industries, oil and agriculture. Kern County in 2013 was the most oil productive county in America. Kern County is a part of the highly productive San Joaquin Valley, and ranks in the top five most productive agricultural counties in the nation. Major crops for Kern County include: grapes, citrus, almonds, carrots, alfalfa, cotton, and roses. The city serves as the home for both corporate and regional headquarters of companies engaged in these industries.

Bakersfield also has a growing manufacturing and distribution sector. Several companies have moved to Bakersfield because of its inexpensive land and access to the rest of America, as well as international ports in both Los Angeles and Oakland. Other companies have opened regional offices and non-oil/agricultural businesses because of Bakersfield's and Kern County's business friendly policies, such as having no local utility or inventory taxes. Products manufactured in the city include: ice cream (world's largest ice cream plant), central vacuums, highway paint, and stock racing cars.



#### CONFIDENTIALITY DISCLAIMER AND AGREEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of Jack in the Box located at 4750 Gosford Rd Bakersfield, CA 93313 ("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.

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 detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services 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 Seller or Matthews Real Estate Investment Services 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 this Offering Memorandum.



OFFERING MEMORANDUM

## JACK IN THE BOX

4750 Gosford Rd | Bakersfield, CA 93313

EXCLUSIVELY LISTED BY

#### KEEGAN MULCAHY

#### Associate

Direct +1 310 955 1782 Mobile +1 415 847 5588

keegan.mulcahy@matthews.com License No. 02067187 (CA)

#### CHUCK EVANS

#### Senior Associate

Direct +1 310 919 5841 Mobile +1 925 323 2263

chuck.evans@matthews.com License No. 01963473 (CA)

#### CALVIN SHORT

**SVP & Senior Director** 

Direct +1 949 432 4506 Mobile +1 310 567 3525

calvin.short@matthews.cor

License No. 01927216 (CA)