

Burlington

BURLINGTON

2425 Vista Way, Oceanside, CA 92054

BRAND NEW 10-YEAR NET LEASE





Representative Photo

INVESTMENT OVERVIEW

OFFERING PRICE	\$13,351,000
NOI	\$734,290
CAP RATE	5.50%
TERM REMAINING	±10.3 Years
RENT INCREASES	\$1.00/SF every 5 years
BUILDING SIZE	35,819 SF
LAND AREA	2.99 Acres
TRAFFIC COUNTS	Vista Way: 18,900 VPD

INVESTMENT SUMMARY

The CBRE Net Lease Property Group is pleased to exclusively offer a 35,819-square-foot Burlington situated on 2.99 acres in Oceanside, CA—a component of the San Diego Metropolitan Area (MSA Population: 3.3 Million). Burlington's net lease is expected to commence in November 2019 and will feature ±10.3 years of primary term with four 5-year renewal options. The site has excellent access and visibility from both Vista Way (Traffic Count: 18,900 VPD) and CA-78 (Traffic Count: 128,980 VPD), where it is less than 1 mile from Interstate 5. Burlington is strategically positioned within the 364,563-square-foot El Camino North Shopping Center, which is occupied by LA Fitness, Ross, Sears Outlet, Petco, Red Lobster, Big 5 Sporting Goods, Famous Footwear, Pier 1 Imports, Barnes & Noble, ULTA, Michaels, and Wells Fargo, among others. Burlington is across CA-78 from the 1.1 MSF The Shoppes at Carlsbad shopping mall, which is anchored by Macy's, JCPenney, Regal Cinemas, and Sears and is further tenanted by 24-Hour Fitness, The Cheesecake Factory, American Eagle, Express, Dave & Buster's, FYE, Foot Locker, Forever 21, H&M, and Zara, to name a few. The site benefits from its location within one of Oceanside's primary retail and commercial corridors with 7.7 MSF of retail, 2.4 MSF of office, 5.5 MSF of industrial, and 14,974 multifamily units within a 3-mile radius. Other major retailers within the immediate vicinity include Target, Trader Joe's, JOANN, Marshalls, Sprouts Farmers Market, Vons, Walmart Supercenter, Best Buy, Bed Bath & Beyond, Dick's Sporting Goods, Stater Bros. Markets, Staples, Cost Plus World Market, Old Navy, along with a multitude of others. Burlington further benefits from upscale demographics with a population of 114,829 and an average household income of \$97,045 within a 3-mile radius.

Demographics	1-Mile	3-Mile	5-Mile
 Population	10,111	114,829	236,207
 AHI	\$113,417	\$97,045	\$95,698



Representative Photo

INVESTMENT HIGHLIGHTS

Premier Tenant

Burlington, formerly known as Burlington Coat Factory, is an American national off-price department store retailer offering coats, jackets and additional clothing items at an affordable price. Having been in business for nearly 50 years, Burlington is among the most trusted names in retail, operating 675 locations across 45 states with over 40,000 employees. As of May 4, 2019, Burlington reported TTM total revenues of \$6.8 billion, TTM net income of \$409.9 million, and total assets of \$5.1 billion. The tenant under the lease is Burlington Coat Factory of Texas, Inc., a subsidiary of Burlington Coat Factory Warehouse Corporation.

Net Lease

Burlington's net lease is expected to commence in November 2019 and will feature ± 10.3 years of primary term with four 5-year renewal options.

Below Replacement Cost

This offering is an excellent opportunity to acquire a highly-desirable retail box at a price that is significantly below the replacement cost.

Excellent Access & Visibility

The site has excellent access and visibility from both Vista Way (Traffic Count: 18,900 VPD) and CA-78 (Traffic Count: 128,980 VPD), where it is less than 1 mile from Interstate 5.

Strategic Location

Burlington is strategically positioned within the 364,563-square-foot El Camino North Shopping Center, which is occupied by LA Fitness, Ross, Sears Outlet, Petco, Red Lobster, Big 5 Sporting Goods, Famous Footwear, Pier 1 Imports, Barnes & Noble, ULTA, Michaels, and Wells Fargo, among others. Burlington is across CA-78 from the 1.1 MSF The Shoppes at Carlsbad shopping mall, which is anchored by Macy's, JCPenney, Regal Cinemas, and Sears and is further tenanted by 24-Hour Fitness, The Cheesecake Factory, American Eagle, Express, Dave & Buster's, FYE, Foot Locker, Forever 21, H&M, and Zara, to name a few.

Dominant Retail & Commercial Corridor

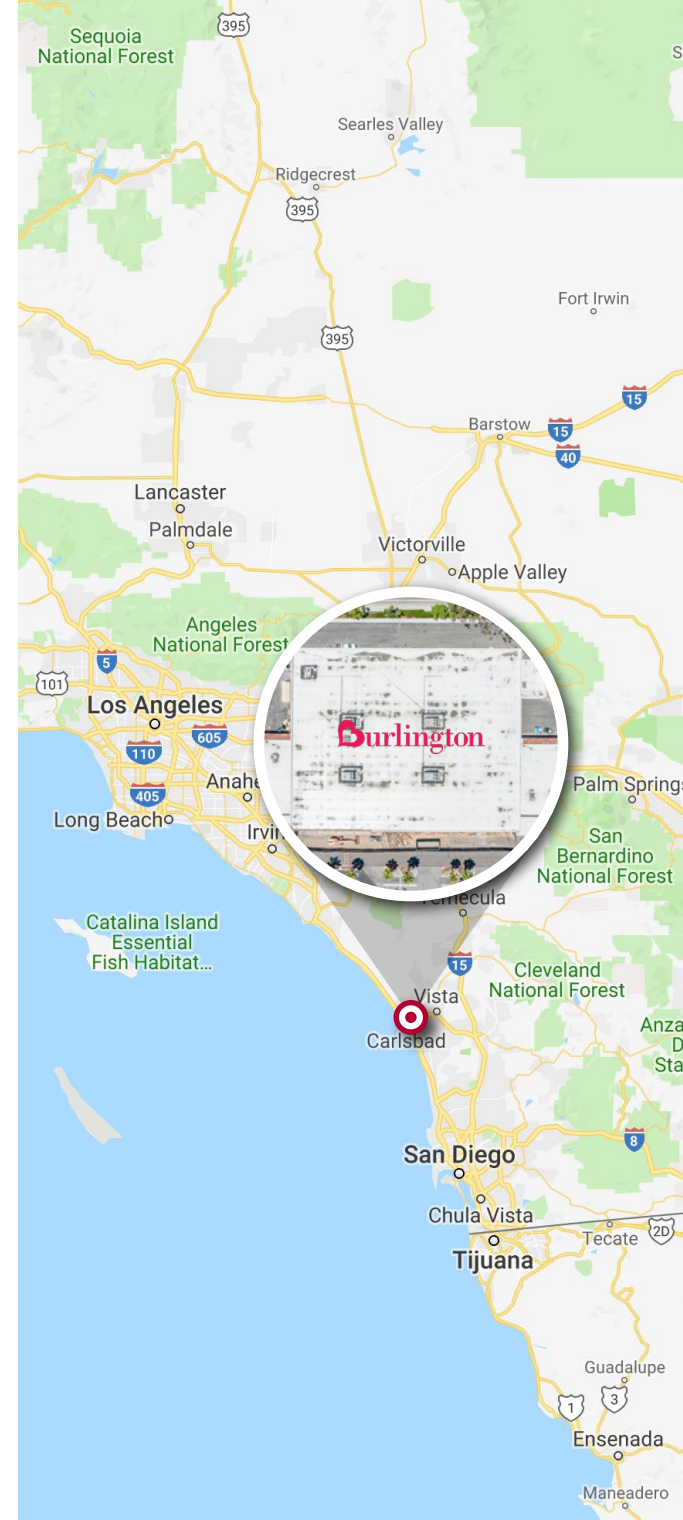
The site benefits from its location within one of Oceanside's primary retail and commercial corridors with 7.7 MSF of retail, 2.4 MSF of office, 5.5 MSF of industrial, and 14,974 multifamily units within a 3-mile radius. Other major retailers within the immediate vicinity include Target, Trader Joe's, JOANN, Marshalls, Sprouts Farmers Market, Vons, Walmart Supercenter, Best Buy, Bed Bath & Beyond, Dick's Sporting Goods, Stater Bros. Markets, Staples, Cost Plus World Market, Old Navy, along with a multitude of others.

Upscale Demographics

Burlington further benefits from upscale demographics with a population of 114,829 and an average household income of \$97,045 within a 3-mile radius.

Oceanside Area

The city of Oceanside is a relaxed beach community on the coast of North San Diego County. Oceanside sits right in between downtown San Diego and Orange County and allows its residents easy access to the surrounding areas while also being an effortless trip for its visitors. One of the ways the city achieves this is by being bisected by the I-5 freeway, the backbone of CA, which runs all the way from Mexico to Oregon. Also, if they do not want to drive themselves, the Oceanside Transit Center hosts both Metrolink and Amtrak lines, namely the 351-mile California Surfliner, one of Amtrak's busiest which serves San Diego, Los Angeles, and San Luis Obispo. The city itself has multiple draws, be it Oceanside's 3 miles of picturesque California beach, its vibrant main street, or the multiple entertainment and cultural locations there is something to do for everyone in the area.



AERIAL



PROPERTY DESCRIPTION



Location

2425 Vista Way
Oceanside, CA 92054



Site

Within the 364,563-square-foot El
Camino North Shopping Center.



Land Area

2.99 Acres
APN: 165-120-28-00



Building Area

35,819 SF



Frontage & Access

Frontage along Vista Way and CA-78.
2 access points via Vista Way.



Commercial Base

7.7 MSF of retail, 2.4 MSF of office,
5.5 MSF of industrial, and 14,974
multifamily units within a 3-mile
radius.



Traffic Counts

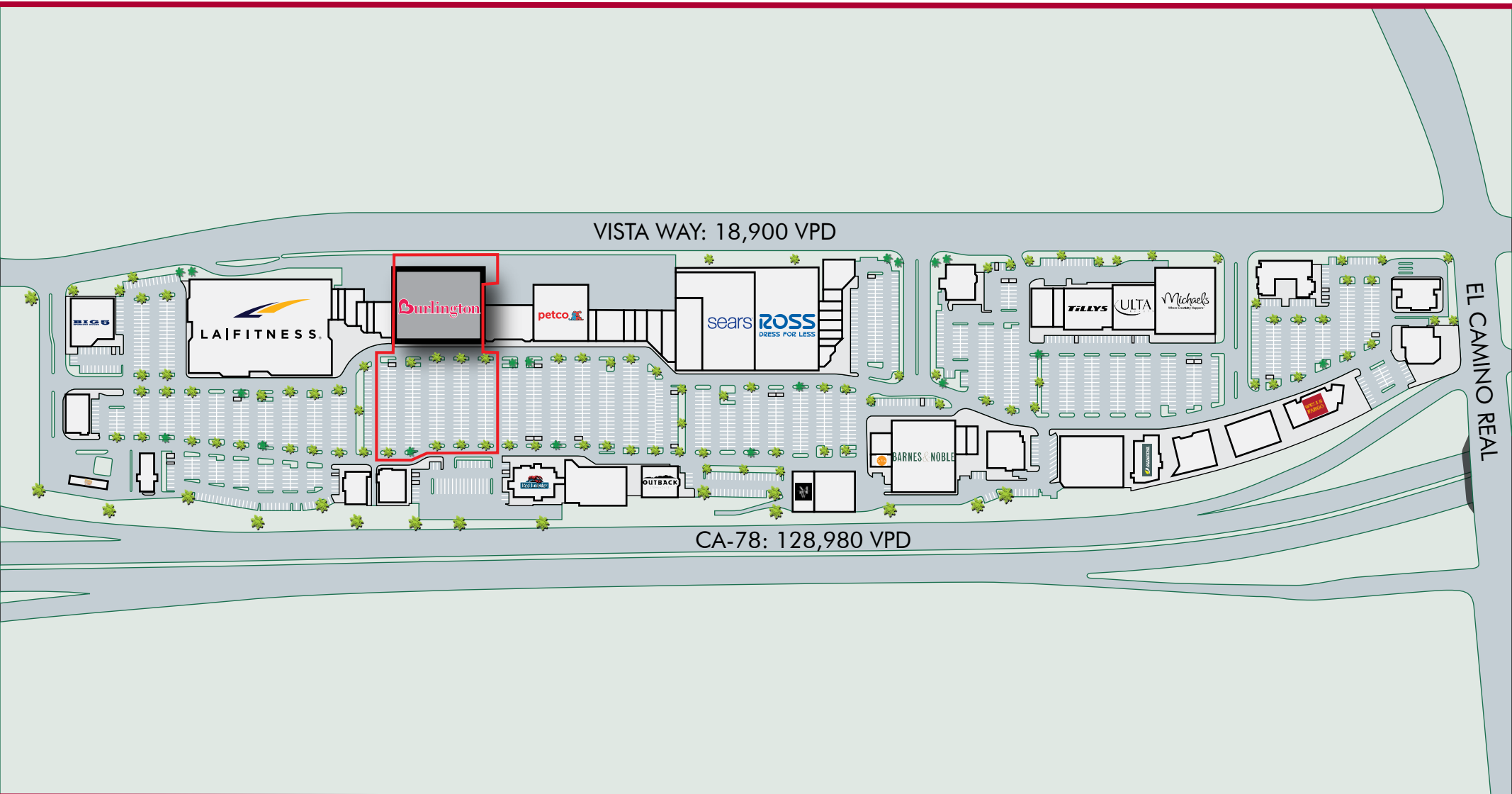
Vista Way: 18,900 VPD
CA-78: 128,980 VPD



Zoning

San Diego County, CA
C / Commercial

SITE PLAN



TENANT PROFILE

Burlington BURLINGTON

Headquartered in Burlington Township, New Jersey, Burlington is a leading off-price apparel and home product retailer, and a division of Burlington Coat Factory Warehouse Corporation. Originally formed and incorporated 47 years ago in 1972, Burlington has become one of the most trusted names in retail, operating 675 stores (inclusive of an internet store) in 45 states and Puerto Rico. Burlington initially started by selling coats and jackets at an affordable price, then gradually extended its selection with in-season, fashion focused merchandise, including: women's ready-to-wear apparel, accessories, footwear, menswear, youth apparel, baby, home, beauty and gifts; therefore, becoming a one-stop shopping experience.

The Company is listed on the Fortune 500 (#459) and its common stock is traded on the New York Stock Exchange under the ticker symbol "BURL." As of May 4, 2019, Burlington reported TTM total revenues of \$6.8 billion, TTM net income of \$409.9 million, and total assets of \$5.1 billion.

The tenant under the lease is Burlington Coat Factory of Texas, Inc., a subsidiary of Burlington Coat Factory Warehouse Corporation.

NUMBER OF STORES	675
HEADQUARTERS	Burlington, NJ
NUMBER OF EMPLOYEES	40,000+
TICKER	NYSE: BURL
WEBSITE	www.burlington.com



Burlington is transitioning from a former Toys R Us site.



Actual Site Photos

LEASE ABSTRACT

TENANT	Burlington Coat Factory of Texas, Inc.
LEASE TERM	±10.3 Years
LEASE COMMENCEMENT	November 1, 2019 (Estimate)
LEASE EXPIRATION	February 28, 2030 (Estimate)
LEASE TYPE	NN
CURRENT TERM RENT	Years 1-5: \$734,290 Years 6-10: \$770,109
RENT ESCALATIONS	\$1.00/SF increase every 5 years
REMAINING OPTIONS	Four 5-year options
OPTION RENT	Option 1: \$805,928 Option 2: \$841,747 Option 3: \$877,566 Option 4: \$913,385
TAXES	Landlord shall pay all real property taxes upon the Landlord's Parcel and upon all the improvements that become due and payable during the Term. Tenant agrees to pay Landlord as Additional Rent its pro-rata share of Taxes assessed against the Landlord's Parcel for each calendar year which occurs entirely after the Rent Commencement Date.
INSURANCE	Landlord shall maintain a policy of insurance covering the Landlord's Parcel against loss, damage or destruction caused by any peril covered by a Cause of Loss - Special Form coverage part to a policy of property insurance, including coverage for water damage, business income, extra expense, service interruption, ordinance or law, boiler and machinery, demolition costs, and terrorism. Such coverage shall be no less than the full written for replacement value of the Landlord's Parcel. Landlord shall maintain commercial general liability insurance against claims for bodily injury, personal injury, death or property damage occurring on, in or about the Shopping Center. This coverage must have a combined single limit of not less than \$5,000,000 and shall also maintain umbrella liability insurance in addition to primary coverage in an amount not less than \$15,000,000. Tenant shall pay the premiums for such policy or policies at sole cost and expense in the same manner that Tenant pays Minimum Rent as set forth under this Lease. Tenant shall maintain a commercial general liability insurance against claims for bodily injury, personal injury, death or property damage occurring on, in or about the Demised Premises or as a result of ownership of facilities located in the Demised Premises. The coverage must have limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate.
REPAIRS & MAINTENANCE	Landlord shall make and pay for all maintenance and repairs, structural or otherwise, to the exterior of the Building and all repairs to the interior of the Building which are of a structural nature and which are not made necessary by any unusual use or alteration of the Demised Premises by Tenant including, without limitation, all repairs to the sprinkler or fire safety system and all maintenance repairs to the structure and roof, the roof skin, utility lines, flashings, gutters and downspouts, floor slab, exterior walls, columns, beams, foundations and footings. Tenant shall make and pay for all nonstructural repairs to the interior of the Demised Premises which are reasonably necessary to keep the same in a good state of repair as well as all maintenance, servicing and repairs to the heating, ventilating, and air-conditioning system exclusively servicing the Demised Premises.
COMMON AREA MAINTENANCE	Landlord agrees to adequately maintain or cause to be maintained all of the Common Facilities in good, safe, clean, usable, unobstructed condition, adequately lighted, free and clear of ice, snow and debris, to include the following; maintaining repairing, resurfacing and re-striping all paved surfaces, removing all snow, papers, gum, debris, graffiti, filth and refuse and thoroughly sweeping the area, minting all traffic directional signs, markers, and lines, operating, maintaining, repairing, and replacing artificial lighting facilities, maintaining and repairing all common area walls and fences, all storm drains, sewers and other utility lines and facilities not dedicated to the public Tenant agrees to pay to Landlord a fixed monthly charge equal to 1/12 of \$1.40 PSF of the Demised Premises per year (the "Fixed CAM Charge"). For each calendar year thereafter during the Term, Tenant's share of Operating Costs shall increase by 3% over the previous calendar year, which increases shall occur on each CAM Adjustment Date.

AREA OVERVIEW

OCEANSIDE, CA

The city of Oceanside is a relaxed beach community on the coast of North San Diego County. Oceanside sits right in between downtown San Diego and Orange County and allows its residents easy access to the surrounding areas while also being an effortless trip for its visitors. One of the ways the city achieves this is by being bisected by the I-5 freeway, the backbone of CA, which runs all the way from Mexico to Oregon. Also, if they do not want to drive themselves, the Oceanside Transit Center hosts both Metrolink and Amtrak lines, namely the 351-mile California Surfliner, one of Amtrak's busiest which serves San Diego, Los Angeles, and San Luis Obispo. The city itself has multiple draws, be it Oceanside's 3 miles of picturesque California beach, its vibrant main street, or the multiple entertainment and cultural locations there is something to do for everyone in the area.

SAN DIEGO METRO AREA

OCEANSIDE WEATHER

- 263 Days of Sun
- 73° Avg High / 53° Avg Low

OCEANSIDE HOUSING MARKET

- Median List Price: \$569,945
- Median Home Value: \$532,500
- Median Sale Price: \$526,300

OCEANSIDE INDUSTRY STATISTICS

INDUSTRY	EMPLOYMENT	PERCENTAGE
Manufacturing, Trade and Transportation	21,286	26.90%
Business and Finance	16,199	20.40%
Educational and Health Services	14,803	18.70%
Food and Entertainment	10,450	13.20%
Mining Agriculture and Construction	6,101	7.70%
Public Administration and Utilities	5,922	7.50%
Other	4,494	5.70%

SAN DIEGO COUNTY FACT FILE

- #251 in Median Household Income
- #5 in Population and #5 in Households nationwide
- #30 Best Places to Live 2018 (U.S. News)
- Over 24 million passengers served @ San Diego International (2018)
- 25 Min Avg Commute Time
- 35.7 Median Age
- 2.8% Unemployment
- 16 naval and military installations
- Contains 3 public state universities and 4 major private universities.

LARGEST PRIVATE EMPLOYERS IN OCEANSIDE





Representative Photo

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CBRE

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Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

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