

OFFERING MEMORANDUM



BLACK BEAR DINER
6225 COMMERCE BLVD | ROHNERT PARK, CA

MATTHEWS™
REAL ESTATE INVESTMENT SERVICES



Black Bear Diner®

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INVESTMENT OVERVIEW



**6255 COMMERCE BLVD,
ROHNERT PARK, CA**



\$3,332,715

PRICE



4.75%

CAP RATE



3,897 SF

GLA



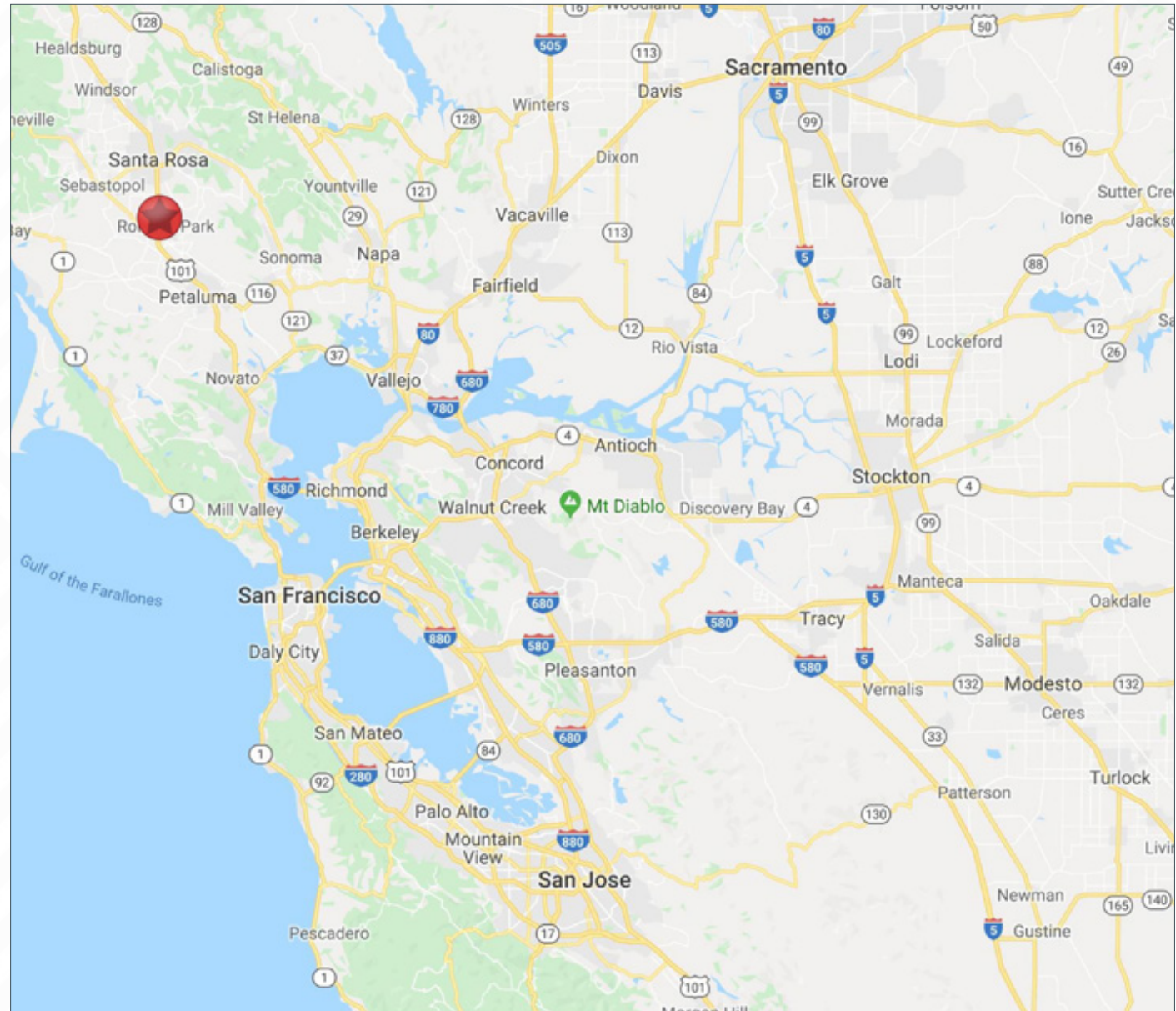
8 YEARS

LEASE TERM



1985

YEAR BUILT



INVESTMENT HIGHLIGHTS

TENANT HIGHLIGHTS

- **Successful Location** – *Black Bear Diner has been operating at this location since 2002, and recently extended the lease by 10 years showing a strong commitment to the location.*
- **Absolute NNN Lease** – *Tenant pays all taxes, insurance and expenses, providing for zero landlord responsibilities.*
- **Growing Concept** – *Black Bear Diner was recognized as one of the “Top 10 Fastest Growing Chains” by Nation’s Restaurant News in 2018, and the concept has seen a 22.3% growth in sales.*

LOCATION HIGHLIGHTS

- **California Bay-Area Real Estate** - *Rare opportunity to acquire a NNN restaurant property in the bay area within 2.5 miles from Sonoma State University.*
- **Strategically Positioned** – *The subject property is ideally located off Hwy 101 and is situated in-between a Costco Wholesale and three large power centers, drawing traffic to the site.*
- **Dense Retail Corridor** – *Nearby national tenants include Costco, Target, CVS, 24 Hour Fitness, Planet Fitness, Safeway, Raley’s, Ross, Grocery Outlet, Burlington, Panera Bread, Olive Garden, Burger King, and Starbucks to name a few.*
- **Close Proximity to Graton Resort and Casino** – *The property sits ±1.5 miles from the Bay Area’s largest gaming and entertainment destination. This is a major consumer draw from cities all over northern California.*

SURROUNDING TENANTS



FINANCIAL OVERVIEW



INVESTMENT SUMMARY

» OFFERING PRICE	\$3,332,715
» CAP RATE	4.75%
» TOTAL BUILDING AREA	± 3,897 SF
» TOTAL LAND AREA	± 0.81 AC
» YEAR BUILT	1985

ANNUALIZED OPERATING DATA

	Monthly Base Rent	Annual Base Rent	Percentage Rent	Total Rent
Current - 9/30/2022	\$11,000	\$132,000	\$26,304*	\$158,304
10/01/2022 - 9/30/2027	\$12,000	\$144,000	TBD	TBD
Option 1	\$13,000	\$156,000	TBD	TBD
Option 2	\$14,000	\$168,000	TBD	TBD

*Percentage Rent based on average over last 3 years

TENANT SUMMARY

Tenant Trade Name	Black Bear Diner
Type of Ownership	Fee Simple
Lease Guarantor	Franchisee
Lease Type	NNN
Original Lease Term	10 years
Lease Commencement Date	9/1/02
Lease Expiration Date	9/30/27
Term Remaining on Lease	±8 years
Percentage Rent	8% of Sales
Base Rent Increases	9.09% on 10/01/22, 7.69% in first option, 7.14% in second option
Options	Two, 5-year options



LEASE ABSTRACT

Tenant	Black Bear Diner
Lease Guarantor	Franchisee
Lease Commencement	9/1/02
Lease Expiration	9/30/27
Original Lease Term	10 years
Lease Term Remaining	±8 years
Base Rent Increases	9.09% on 10/01/22, 7.69% in first option, 7.14% in second option
Percentage Rent	8% of Sales
GLA	3,897
Lot Size	.81 AC
Maintenance	Tenant shall keep the Premises in good order, repair and condition and surrender the same at the expiration of the term herein. Landlord shall not be obligated or required to make any repairs or to do any work on or about said Premises
Roof/Structure Responsibility	Tenant responsibility
Insurance	Tenant shall, at Tenant's expense, maintain the insurance described in this Section during the Term.
Real Estate Taxes	Tenant shall pay all taxes levied against personal property of Tenant located on the Premises plus all business, license, sales and excise taxes levied against Tenant or Tenant's occupancy of the Premises.
Utilities	Tenant shall be responsible for payment of its own utilities
Right of First Refusal	None
Subletting	Not without landlord consent

TENANT OVERVIEW



Black Bear Diner



±138

NO. OF LOCATIONS



±300

NO. OF EMPLOYEES



1995

YEAR FOUNDED



REDDING, CA

HEADQUARTERS

TENANT OVERVIEW

Black Bear Diner is a fast-growing, community-oriented, family dining concept that offers great food in a fun, bear-themed atmosphere. Born from a desire to bring home-style comfort food classics and personal service back to the dining experience, the brand is strategically growing its national footprint. In 2017, Nation's Restaurant News highlighted the brand as a "disruptor" in the family dining market, noting market share gains against numerous legacy brands, while Franchise Times ranked it as #242 on its Next 300 Franchises to Watch in 2017 list.

Every diner features custom artwork from the inside out. Our co-founder Bob Manley, himself a sculptor and art enthusiast, wanted to share the sweeping Mt. Shasta landscapes we call home — while making diners feel at home, too.

OUR MISSION

Our diner mission is to welcome every guest with open arms, to serve up joy, belonging, and love with every meal, and to treat employees like family. Our giving mission is to support philanthropic efforts—as a company on a national level and within our local communities through sponsorship's and fundraising events.

AREA OVERVIEW



ROHNERT PARK, CA

Located in central Sonoma County and laid out in the 1950s, family-friendly Rohnert Park (pop. 40,971) was one of the first planned communities nationwide.

Kid-oriented activities abound. Take a spin in competition-level electric karts at Driven Raceway, which also offers a mini-golf course, mini bowling alley, video games, and the Hot Rod Café. Roll on wheels at Cal Skate. Enjoy bumper boats, miniature golf, batting cages, and other fun activities at Scandia Family Fun Center. Bowl for a strike on one of the 50 state-of-the-art lanes at Double Decker Lanes, which includes a snack bar, video arcade with pool tables, a bowling pro shop, and a full-service sports bar. For an arts break, the Spreckels Performings Arts Center provides the finest performing arts programming from around the world. And the 128-acre Crane Creek Regional Park offers hiking (including wheelchair-accessible trails), biking, and horseback riding; an 18-hole disc golf course; picnic tables; and outstanding bird watching opportunities.

The Donald and Maureen Green Music Center, located on the scenic campus of Sonoma State University, is a world-class performing arts complex with multiple performance venues, a music education wing, and more. The jewel in the Green Music Center crown is the acoustically superb 1,400-seat Joan and Sanford I. Weill Hall concert venue. Modeled after Seiji Ozawa Hall at Tanglewood, Weill Hall includes a back wall that can be fully opened onto a landscaped and terraced lawn, to expend the audience capacity for summer concerts.

POPULATION	1-MILE	3-MILE	5-MILE
2025 PROJECTION	14,981	58,822	94,830
2020 ESTIMATE	14,610	57,702	92,389
2010 CENSUS	13,823	56,053	88,153
GROWTH 2010-2020	5.69%	2.94%	4.80%
GROWTH 2020-2025	2.54%	1.94%	2.64%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 PROJECTION	6,362	22,475	34,189
2020 ESTIMATE	6,145	21,911	33,229
2010 CENSUS	5,654	20,885	31,452
GROWTH 2010-2020	8.68%	4.91%	5.65%
GROWTH 2020-2025	3.53%	2.57%	2.89%

INCOME	1-MILE	3-MILE	5-MILE
AVERAGE HOUSEHOLD INCOME	\$81,724	\$96,783	\$98,308

SONOMA COUNTY ECONOMY

The Sonoma County economy is getting national attention for its signs of strength and growth. Sonoma County's economy was 10th in the nation in job growth, according to a report by the Milken Institute. The county ranked first in economic growth for beverage product manufacturing, because of the strength of the local wine industry.

The tech sector is another area where Sonoma County shines. The county ranked 21st in the nation for tech diversity, a measure of how many different tech sectors in a community have higher rates of employment compared to the nation. Out of 19 sectors, Sonoma county had eight more sectors than the national rate. The San Jose/Sunnyvale metro area, the nation's best performing community, had 14. Small businesses are also thriving in Sonoma County. They provide about 49 percent of the county's jobs. Small business income contributed to 14.2 percent of the county's total personal income growth, compared to 7.7 percent for the nation.





CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Black Bear Diner** located at **6255 Commerce Blvd, Rohnert Park, CA 94928** ("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.



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