



Upland Village Center



Burlington

ROSS  
DRESS FOR LESS®



• ABSOLUTE NNN GROUND LEASE • NEW CONSTRUCTION • BELOW MARKET RENT •



OFFERING MEMORANDUM  
UPLAND, CALIFORNIA



HANLEY INVESTMENT GROUP  
REAL ESTATE ADVISORS





## OFFERING MEMORANDUM

UPLAND, CALIFORNIA

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# OFFERING SUMMARY

## RAISING CANE'S



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### LOCATION

**Raising Cane's Chicken Fingers**  
**183 E. Foothill Blvd**  
**Upland, CA 91786**



### OFFERING SUMMARY

|  |             |
|--|-------------|
| <b>Price:</b>                              | \$4,400,000 |
| <b>Current Net Operating Income (NOI):</b> | \$165,000   |
| <b>Current Capitalization Rate:</b>        | 3.75%       |
| <b>Price per Square Foot:</b>              | \$1,257     |
| <b>Net Rentable Area:</b>                  | 3,500       |
| <b>Year Built:</b>                         | 2018        |
| <b>Lot Size (Acres):</b>                   | 0.53        |

### LEASE TERMS (1)

|                                     |   |
|-------------------------------------|---|
| <b>Lease Commencement:</b>          | December 2018                               |
| <b>Lease Expiration:</b>            | November 2033                               |
| <b>Lease Type:</b>                  | Absolute NNN Ground Lease                   |
| <b>Monthly Rent:</b>                | \$13,750 (\$3.93/sf)                        |
| <b>Annual Rent:</b>                 | \$165,000 (\$47.14/sf)                      |
| <b>Rental Increases:</b>            | 7% in 2023 and 10% Every 5-Years Thereafter |
| <b>Renewal Options:</b>             | Three 5-Year and One 4-Year @ 10% Increases |
| <b>Right of First Offer (ROFO):</b> | Yes - 5 Business Days                       |

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.





# INVESTMENT HIGHLIGHTS

## RAISING CANE'S



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- **Single-Tenant Raising Cane's Ground Lease:**

- Corporately guaranteed ground lease with over 13 years remaining
- Absolute NNN investment; zero landlord responsibilities
- 7% rental increase in 2023 and 10% rental increases every 5 years thereafter
- 2018 Construction
- High performing location with below market rent
- Equipped with a drive-thru lane and large outdoor seating area
- Ranked as #1 "Chain in Sales-per-Unit Growth" and #2 "Overall Sales Per Unit" among nationwide QSRs

- **Located at the Primary Signalized Entrance to Upland Village Center:** Raising Cane's is a pad in the newly redeveloped Upland Village Center, anchored by Burlington, Ross, and 99 Cents Only

- **Major Signalized Intersection with Convenient Access:** The center is positioned near the signalized intersection of E. Foothill Boulevard and Euclid Avenue (combined 44,400 cars per day) with convenient access from both adjacent roads

- **Excellent Frontage and Visibility:** The site has excellent frontage on E. Foothill Boulevard increasing visibility to drivers passing by





# INVESTMENT HIGHLIGHTS

## RAISING CANE'S



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- **Close Proximity to Two Major Freeways:** The site is 1.5 miles from Interstate 10 (219,700 CPD) and 2.5 miles from State Route 210 (164,000 cars per day)
- **Dominant Retail Corridor:** Nearby national/credit tenants include Walmart Supercenter, Vons, Sprouts Farmers Market, Stater Bros. Markets, Big Lots, Marshalls, Lowe's Home Improvement, CVS Pharmacy, and more
- **Dense and Affluent Demographics:** Nearly 390,000 residents live in a 5-mile radius with an average household income exceeding \$90,000
- **1 Mile from San Antonio Regional Hospital:** San Antonio Regional Hospital is a leading medical center with 363 beds and a staff of over 500 physicians





# SITE PLAN / PARCEL MAP

## RAISING CANE'S



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 **SUBJECT PROPERTY**

 **PROPERTY PARCEL**

**APN:** 1045-551-29-0000







## Surrounding Tenants

*Not a Part*





# AERIAL OVERVIEW

## RAISING CANE'S



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### DOWNTOWN LOS ANGELES

- 37-MINUTE DRIVE TIME -



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.



# AERIAL OVERVIEW

## RAISING CANE'S



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**RANCHO CUCAMONGA**  
- 174,510 POPULATION -

**ONTARIO**  
- 177,332 POPULATION -



**ONTARIO AIRPORT**  
- 5.1 MILLION PASSENGERS ANNUALLY -

**ORCHARD PLAZA**  
CHUZE BIG  
FITNESS LOTS!

**FITNESS 19**  
CVS pharmacy Albertsons

**Firestone**  
COMPLETE AUTO CARE

**the Y**

**9**  
goodwill

**SAN ANTONIO**  
REGIONAL HOSPITAL  
- 296 Beds -

CVS pharmacy

**Carls Jr.**

**Pop Boys**  
AutoZone



**HISTORIC**  
DOWNTOWN  
UPLAND

**1-Mile**  
Upland Metrolink  
Station

**INTERSTATE 10**  
219,700 CPD

**VILLAGE GROVE**  
Walmart Neighborhood Market  
DOLLAR TREE

**LIBERTY TAX**

**GOODYEAR**

**Raising Cane's**  
**SUBJECT PROPERTY**

**UPLAND VILLAGE CENTER**  
Burlington ROSS 99c only  
DRESS FOR LESS STORES

**44,000 CPD**  
- INTERSECTION -

**FOOTHILL TOWN CENTER**  
VONS CHASE

**UPTOWN AND COUNTRY**  
SHOPPING CENTER  
Marshalls CVS pharmacy  
BIG 5 citi Bank of America

## DEMOGRAPHICS

### Population:



|               |         |
|---------------|---------|
| 1-Mile Radius | 19,876  |
| 3-Mile Radius | 169,536 |
| 5-Mile Radius | 389,899 |

### Household Income:



|               |          |
|---------------|----------|
| 1-Mile Radius | \$74,870 |
| 3-Mile Radius | \$84,527 |
| 5-Mile Radius | \$90,835 |



N





# AERIAL OVERVIEW

## RAISING CANE'S



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# TENANT PROFILE

## RAISING CANE'S



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Founded by Todd Graves in 1996 in Baton Rouge, Louisiana, Raising Cane's is one of the fastest-growing quick-service restaurant chains in the U.S. Renowned for its fresh, never frozen chicken fingers, its secret-recipe Cane's sauce, crinkle-cut fries, coleslaw, Texas toast, sweet tea, and fresh-squeezed lemonade.

Raising Cane's just surpassed \$1.5 billion in annual sales, tripling in size in just four years. The company is about to open its 500th restaurant and has plans to reach \$3 billion in sales. There are 50 new restaurants planned for opening in 2020 and even more in 2021 with expansion focused on the East Coast, from New England to Florida. Even more impressive, average unit volumes (AUVs) are approaching \$3.6 million. For context, McDonald's pulls in about \$2.8 million in AUVs.

With their minimalist menu and focus on quality and customer service, the growing chain restaurant has quickly garnered a loyal following and continues to expand across the U.S. and the Middle East. One key advantage is its focus on the 'fast' in fast food, with a recent study by QSR indicating that it boasts the fastest drive-thru in the U.S. at just two minutes and 48 seconds. Nation's Restaurant News recognized Cane's as the 6th fastest-growing brand in the U.S. in 2019. Sandelman & Associates has ranked Raising Cane's as a leading restaurant in Overall Customer Satisfaction for 13 years in a row and honored Cane's with its Award of Excellence in 2019. February 2020, Thrillist's inaugural "Fasties" crowned Cane's the "Best Chicken Tenders" in America. Todd Graves was also recently ranked #28 on the list of Top 100 CEOs in the U.S. by Glassdoor, which also listed Raising Cane's among the Top 100 Best Places to Work in the U.S.

### TOP HONORS

- **#1 "Chain in Sales-Per-Unit Growth"** - Nation's Restaurant News (2018)
- **#1 "Fastest-Growing Chain in the Nation"** - Nation's Restaurant News (2018)
- **#2 "Overall Sales Per Unit"** - Statista (2019)

Company Type: Private  
Locations: 500  
Website: [www.raisingcanes.com](http://www.raisingcanes.com)

### GOOGLE RATINGS - SUBJECT PROPERTY

#### Raising Cane's

★★★★★ 591 Reviews

**Tatiana D.**  
Love this place! The staff here are so friendly, nice, upbeat, and attentive!

**Alex M.**  
WOW!!! First time patronizing this restaurant and let me tell you it was all the great things I had been told and some!

**Terese J.**  
Quick service in drive thru. Food was good as usual.







## Raising Cane's - America's Fastest-Growing Chicken Brand - Unveils Industry-Leading Restaurant Partner Program

By PR Newswire | March 11, 2020

**R**aising Cane's Chicken Fingers has now surpassed \$1.5 billion in annual sales – tripling in size within the last four years and more than doubling its team to 25,000 Crewmembers – while serving nearly one billion quality chicken finger meals.

With its 500th Restaurant about to open, the fastest-growing Restaurant concept over \$1 billion in sales shows no signs of slowing down.



CLICK FOR ARTICLE

## THE PRESS-ENTERPRISE



## Southern California's housing hot spot? Riverside, San Bernardino counties

By Jonathan Lansner | June 18, 2020

**T**he Inland Empire, long the region's most affordable place to live, now comes with significant real estate sizzle.

The pandemic era has seemingly rearranged housing's local pecking order and elevated Riverside and San Bernardino counties to Southern California's new housing hot spot.

It's a sign the move inland is quickening. The Inland Empire's population has ballooned by 235,000 new residents in the past five years — almost five times the tiny 50,000 growth seen in L.A.-O.C.



CLICK FOR ARTICLE





## Upland, California

- San Bernardino County at the base of the San Gabriel Mountains
- Located 35 miles east of Los Angeles; 100 miles northeast of San Diego
- 76,800 population
- Known as the gateway to Inland Empire

### ECONOMY

- \$94,100 average household income; 12.5% increase by 2024
- The job market has increased 2.3% over the last year; 39.2% expected growth in the next 10 years (outpacing the expected U.S. average of 33.5%)
  - 144,350 residents comprise the labor force within a 5-mile radius of the city center
  - Top employers in the area include San Antonio Regional Hospital, Upland Unified School District, City of Upland, Walmart, and Upland Rehabilitation & Care Center
- The largest sectors of the local economy include educational services, healthcare and social assistance, retail trade, and manufacturing

### DEVELOPMENTS

- The local Downtown Revitalization Program is funding conditional grants of up to \$30,000 per building storefront to eligible properties
- **Highline** - 48 three-story townhomes; completed September 2019
- **Alta Upland** - 203-unit multifamily community; expected 2020 completion



**76,800**  
UPLAND  
POPULATION

**203-UNIT**  
ALTA UPLAND  
DEVELOPMENT

**39.2%**  
EXPECTED JOB GROWTH  
IN THE NEXT 10 YEARS

**\$94K**  
AVERAGE  
HOUSEHOLD INCOME





### TOURISM

- **Angeles National Forest** - 700,000+ acres in the San Gabriel and Sierra Pelona Mountains
  - Located 8 miles from the Upland area
  - Hosts 3.2 million visitors annually
- **Upland Lemon Festival** - 3-day food festival; 70,000 annual attendees

### TRANSPORTATION

- California Highway 83 (Euclid Avenue) runs north-south and connects Upland to Ontario in the south
- Interstate 10 runs along the southern boundary of Upland, connecting it with Los Angeles to the west and San Bernardino to the east
- **Ontario International Airport (ONT)** - Public airport that is the primary catalyst for growth; located 9 minutes from Upland
  - \$5.4 billion annual economic impact; provides \$246 million in state and local taxes
    - ◆ 7,700 direct jobs; 55,400 indirect jobs
  - Consistently ranked among the 100 busiest airports in the world
    - ◆ 5.1 million annual passengers
  - Handled approximately 751,500 tons of freight in 2018
    - ◆ ONT is UPS' West Coast international hub; 72% of the airport's cargo is handled by UPS
  - International terminal will undergo \$70 to \$80 million in reconstruction between 2018-2022 to increase the airport's capacity to handle international commercial flights

### EDUCATION

- **Claremont Colleges** - 7 independent colleges sharing a 546-acre campus
  - 8,500 student enrollment; 3,270 faculty and staff



POMONA COLLEGE



ONTARIO INTERNATIONAL AIRPORT



ANGELES NATIONAL FOREST

**3.2M**

**ANGELES NATIONAL FOREST  
ANNUAL VISITORS**

**\$5.4B**

**ONTARIO INTERNATIONAL AIRPORT  
ECONOMIC IMPACT**

**70K**

**UPLAND LEMON FESTIVAL  
ANNUAL VISITORS**

**\$80M**

**ONTARIO INTERNATIONAL  
AIRPORT DEVELOPEMNT**





|   | <u>1-Mile</u>   | <u>3-Mile</u>   | <u>5-Mile</u>   |
|---|-----------------|-----------------|-----------------|
| <b>Population</b>   |                 |                 |                 |
| 2024 Projection   | 20,069          | 172,384         | 398,128         |
| 2019 Estimate   | 19,876          | 169,536         | 389,899         |
| 2010 Census   | 19,362          | 162,570         | 371,317         |
| 2000 Census   | 18,859          | 153,243         | 346,841         |
| Growth 2000-2010  | 2.67%           | 6.09%           | 7.06%           |
| Growth 2010-2019  | 2.65%           | 4.28%           | 5.00%           |
| Growth 2019-2024  | 0.97%           | 1.68%           | 2.11%           |
| <b>Households</b>   |                 |                 |                 |
| 2024 Projection   | 7,249           | 56,022          | 126,512         |
| 2019 Estimate   | 7,175           | 54,960          | 123,350         |
| 2010 Census   | 6,801           | 51,717          | 115,517         |
| 2000 Census   | 6,791           | 49,891          | 107,517         |
| Growth 2000-2010  | 0.15%           | 3.66%           | 7.44%           |
| Growth 2010-2019  | 5.50%           | 6.27%           | 6.78%           |
| Growth 2019-2024  | 1.03%           | 1.93%           | 2.56%           |
| <b>2019 Est. Population by Single-Classification Race</b>     |                 |                 |                 |
| White Alone   | 12,748          | 99,077          | 219,201         |
| Black or African American Alone                               | 1,473           | 10,003          | 25,032          |
| American Indian and Alaska Native Alone                       | 153             | 1,458           | 3,431           |
| Asian Alone   | 1,210           | 11,393          | 32,245          |
| Native Hawaiian and Other Pacific Islander Alone              | 42              | 458             | 1,014           |
| Some Other Race Alone   | 3,176           | 38,298          | 88,156          |
| Two or More Races   | 1,047           | 8,470           | 19,828          |
| <b>2019 Est. Population by Ethnicity (Hispanic or Latino)</b> |                 |                 |                 |
| Hispanic or Latino  | 9,743           | 96,699          | 217,415         |
| Not Hispanic or Latino  | 10,133          | 72,837          | 172,484         |
| <b>2019 Est. Average Household Income</b>                     | <b>\$74,870</b> | <b>\$84,527</b> | <b>\$90,835</b> |



# CONFIDENTIALITY AGREEMENT

RAISING CANE'S



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**\$6.6 BILLION**  
retail sales nationwide



**SHARED DATABASE**  
collaborative proprietary database



**GLOBEST. INFLUENCERS**  
in retail & net lease sales



**COSTAR POWER BROKER**  
top sales brokers & firm in OC



**NATIONWIDE REACH**  
retail & investors across the U.S.