

Core Infill Los Angeles Location
15 Years Remaining on Lease
Recently Renovated
137,000 Cars Per Day at Intersection

Kentucky
Fried Chicken **TACO
BELL**

5220 W Centinela Ave.
Los Angeles, CA



La Tijera Blvd.

La Tijera Blvd.

Centinela Ave.

High Tech
Grocer

Marshalls

2 Story
Professional Office



NEWMARK

CONTENTS

- 1 Investment Summary
- 2 Area Overview
- 3 Property Description
- 4 Tenant Overview
- 5 Financial Summary



DISCLAIMER

Newmark Knight Frank, exclusive marketing representative of the Seller, is solely authorized to present this property investment offering (the "Offering"). This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of (the "Property").

Prior to submitting an offer to purchase the Property, interested parties should perform and rely upon their own investigations, analyses, estimates and projections and otherwise satisfy any concerns regarding material aspects of the proposed transaction including, but not limited to, legal, municipal, environmental, operational, seismic, financial and physical issues, and all other matters affecting or pertaining to the Property. The Seller will be offering the Property including all appurtenances and tenant improvements, solely on an "As-Is, With-All-Faults" basis, without any representations or warranties. No person is authorized to make any representations or warranties on behalf of the Seller regarding the Property. Any and all information regarding the Property provided to any interested party by the Seller or Newmark Knight Frank, including all information contained in the Offering, is provided without any representation or assurance, express or implied, regarding the accuracy, completeness or current status of applicability of such information. Each interested party is expected to undertake such reviews and investigations and make such inquiries as such party may believe to be necessary, appropriate or advisable for the purpose of forming a decision to make an offer to acquire the Property.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with an entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum

or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

The material contained herein is confidential and is presented strictly as information for the exclusive use of the prospective purchaser. Receipt and review of this Offering by the prospective purchaser constitutes an agreement not to divulge, share or distribute the information to any other party, except the prospective purchaser's legal counsel and financial advisors, without the prior specific written authorization of the Seller or Newmark Knight Frank. Each prospective purchaser shall also agree to and comply with the provisions of the confidentiality agreement executed by such prospective purchaser prior to receipt of this Offering.

This Offering is submitted subject to errors, changes, omissions, changes in price, market and other conditions. It contains selected information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information that prospective purchasers may desire. It should be noted that any and all market analyses, estimates and projections contained in this Offering are provided for general reference purposes only and are based on assumptions related to the general economy, competition, real estate market trends, and other factors beyond the control of the Seller or Newmark Knight Frank.

Such analyses, estimates and projections are therefore subject to material variation, and may not be consistent with the views or assumptions held by other professionals. PHOTOCOPYING OR OTHER DUPLICATION OF THIS OFFERING IS NOT AUTHORIZED



Advisory Team

Bill Bauman

Vice Chairman
213.298.3593
bill.bauman@ngkf.com
CA RE License #00969493

Kyle Miller

Executive Managing Director
213.298.3597
kyle.miller@ngkf.com
CA RE License #01716644

Matthew Schwartz

Director
213.298.3598
matt.schwartz@ngkf.com
CA RE License #01973902

NEWMARK

700 S. Flower Street, Suite 2500
Los Angeles, CA 90017
nkfsocalretail.com

Investment Summary





Investment Summary

The NKF Retail Capital Markets team is pleased to present the opportunity to acquire an exceptionally well-positioned single tenant, dual-branded, NNN KFC & Taco Bell in the heart of one of the most densely populated trade areas in Los Angeles County with 247,035 people within a 3-mile radius. KFC & Taco Bell have over fifteen (15) years remaining on their current term with two (2), five (5) year options to extend and attractive 15% increases during years eight (8), thirteen (13) and eighteen (18) of the current term, as well as each of the option periods.

The subject property consists of a highly visible KFC & Taco Bell located in the center of Centinela Ave between La Cienega Boulevard and La Tijera Boulevard in the city of Los Angeles. The property is surrounded by best-in-class tenants including a Chick-fil-A, Burger King, Marshalls, future Del Taco and a high-tech grocer. The tenant has a long historical presence and signed a new 20-year term in 2016, showing their continued commitment to this location.

KFC & Taco Bell offers investors the rare opportunity to acquire a newly remodeled, highly coveted single tenant NNN asset in a very dense trade area in Southern California. The attractiveness of this asset is its 'Main and Main' location and product type, as well as the stability associated with long-term, financially viable, tenant.





Investment Highlights

Predictable Income Stream & NNN Lease

- KFC & Taco Bell are on a single NNN lease
- KFC & Taco Bell self-maintains their parcel
- Predictable income stream with above-average rental increase of 15% during years eight (8), thirteen (13) and eighteen (18) of the current term, as well as each of the option periods

Long Term Commitment to Location

- Over 15 years remaining lease with two (2), (5) five-year options to extend with 15% rental increases
- The tenant has been at this location since 1979 and recently executed a new 20-year term in 2016 showing their continued, long-term commitment to this location

Dense and Highly Trafficked Trade Area

- Dense trade area with over 247,035 and 810,721 people within a 3 & 5-mile radius respectively
- Higher than average household incomes boasting \$95,674 and \$92,065 within a 3 & 5-mile radius respectively
- Located along the primary retail arterial in Los Angeles with complementary tenants such as Marshalls, Burger King, Chick-fil-A, Jersey Mike's, and Dunkin'
- Located at the intersection of La Cienega Blvd, La Tijera Blvd, and Centinela Ave, three primary arterials connected to the 405 Freeway

Free & Clear of Existing Debt

- Property is being offered free and clear of existing debt, allowing an investor to acquire all cash or cash to new loan
- Ideal 1031 opportunity with limited management responsibilities and no near-term capital requirements



Marshall's

2 Story
Professional Office



S. La Tijera Blvd.

Centinela Ave.

High Tech
Grocer



La Cienega Blvd.





LAX
Los Angeles
World Airports

Marina Del Rey

Venice

Santa Monica

Pacific Palisades

Playa Vista

CINEMARK
The Best Seat In Town

Westfield

Culver City

90

405

S La Tijera Blvd

Marshalls

♥ **CVS pharmacy**

ROSS
DRESS FOR LESS

petco

Ralphs

KFC

Chick-fil-A

BURGER KING

High Tech
CreditGrocer

La Cienega Blvd

Centinela Ave

LISTING TERMS

Price



\$5,920,000

NOI



\$201,250

Cap Rate



3.40%

Offered GLA



2,087 SF

Offered Land



0.24 Acres

Year Built



1979



Area Overview





Area Overview

The city of Los Angeles is the most populous city in California. Located on a broad basin in Southern California, the city is surrounded by vast mountain ranges, valleys, forests, beautiful beaches along the Pacific Ocean, and nearby desert. Los Angeles is an important center of culture, medicine, agriculture, business, finance, energy, aerospace, science, food processing, media, international trade, and tourism. International tourists regard Los Angeles as most famous for "Hollywood," but a long-running trend in favor of outsourcing of film and television production has critically undermined the sector to the point where entertainment and media employ only about 120,000 people in the entire metro area (and most of them work in Burbank or Culver City, not Hollywood). Many major motion picture deals and premieres still occur in Los Angeles, but the vast majority of those films are actually shot elsewhere. However, some post-production, editing, promotion, distribution, and archiving work still occurs in Los Angeles. In addition, L.A. remains a major center for production of television shows and television commercials, as well as music recordings.

Traffic Counts

La Cienega
Blvd.



69,081
Cars/Day

Centinela Ave.



32,000
Cars/Day

DEMOGRAPHICS

Within 5 Miles

Population



819,969

Daytime Population



341,943

Average HH Income



\$94,744

Median Age



35.9

Families



182,750

Homeowners



108,404



sears ★ macy's
Albertsons
CINEMARK
WELLS FARGO
STAPLES

Downtown Los Angeles

USC

THE HOME DEPOT

Ralphs
Bank of America
CVS pharmacy
petco
CHASE
Jamba Juice
ROSS
DRESS FOR LESS
Bath & Body Works
WELLS FARGO
FRIDAYS

KFC

HURGER KING

Chick-fil-A

DEL TACO
& Future Shops

Spectrum

High Tech Grocer

Centinela Ave.

2 Story Professional Office

Marshalls

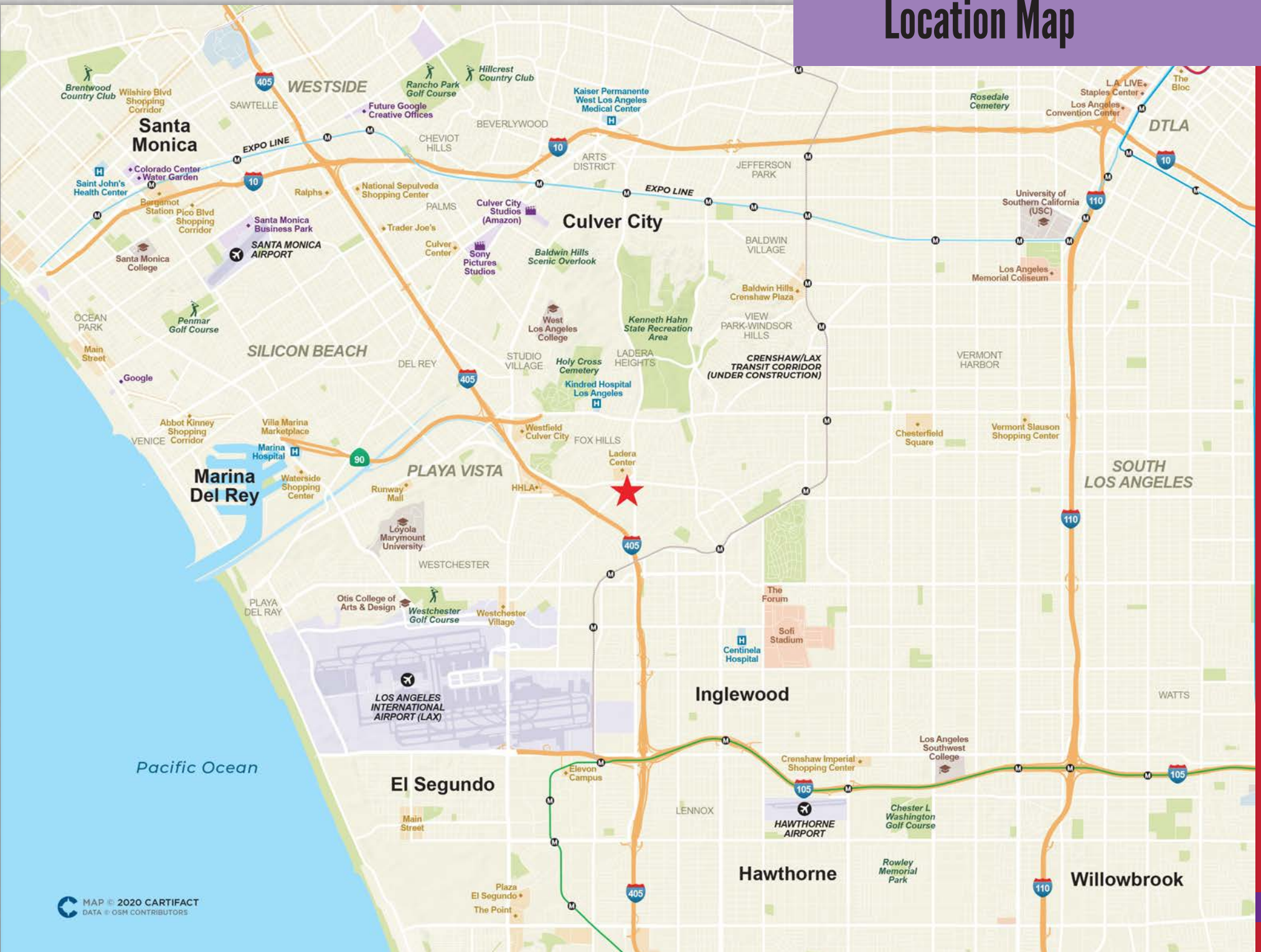
La Cienega Blvd

99¢ only
CHUCK E. CHEESES
Polo Loops

Amenities Map



Location Map



Property Description





Property Description

The subject property is an exceptionally well-located, dual branded, KFC & Taco Bell on the center of Centinela Avenue between La Cienega Boulevard and La Tijera Boulevard in the city of Los Angeles.

The property is located within a brand new 80,000 square foot shopping center scheduled for completion in the winter of 2020. The building area is approximately 2,087 square feet with co-tenants such as Burger King, Chick-fil-A, Jersey Mike's, Dunkin', Marshalls, and a new state-of-the-art grocer.

This highly trafficked intersection of La Cienega Blvd and Centinela Ave is a top-performing retail pocket in Los Angeles evidenced through the well-curated mix of home goods, grocery and specialty retailers along La Tijera Blvd. With a population of over 247,035 and 810,721 people within a 3 & 5-mile radius respectively, the higher than average household incomes boast over \$95,674 and \$92,065 within a 3 & 5-mile radius respectively.

PROPERTY HIGHLIGHTS

Offered GLA



2,087 SF

Year Built



1979

Offered Land



0.24 Acres

Zoning



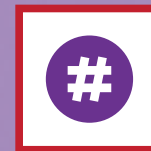
LAC2

Occupancy



100%

APN



4103-002-016



Parcel Map



Site Plan



Tenant Overview







COMPANY SUMMARY

Headquarters



Miami, FL

Founded



1954

Number of Restaurants



+17,800

Stock Symbol



YUM

Revenue



\$5.49B

Operating Cash Flow



\$1.22B

KFC Overview


KFC Corporation, based in Louisville, Kentucky, is one of the few brands in America that can boast a rich, decades-long history of success and innovation. It all started with one cook who created a soon-to-be world-famous recipe more than 70 years ago, a list of secret herbs and spices scratched out on the back of the door to his kitchen. That cook was Colonel Harland Sanders, of course, and now KFC is the world's most popular chicken restaurant chain, specializing in that same Original Recipe® along with Extra Crispy™ chicken, home-style sides and buttermilk biscuits. We're at over 23,000 KFC outlets and more than 140 countries and territories around the world. And you know what? There's still a cook in a kitchen in every last one of them, freshly preparing delicious, complete family meals at affordable prices.



Taco Bell Overview

Taco Bell is an American fast food chain known for its inventive, often whimsical, Mexican-inspired menu items. Along with KFC and Pizza Hut, Taco Bell is owned by Louisville, Kentucky-based Yum! Brands and serves 42 million customers a week at nearly 7,000 restaurant locations worldwide. Founded in California in 1962, the brand has maintained a steady presence in the American consciousness, in part because of its popular advertising campaigns—like the iconic 1990s ads featuring a taco-hungry chihuahua and 2005's "Good to Go" slogan that accompanied the launch of the Crunchwrap Supreme.

Rent Roll



Tenant	SF	Lease Start	Lease End	Increases	Monthly	Annual	\$/SF/YR	Options
KFC	2,087	8/1/2016	7/31/2036	Current	\$16,771	\$201,250	\$96.43	Two (2), Five (5) Year Options
				8/1/2023	\$19,286	\$231,438	\$110.89	
				8/1/2028	\$22,179	\$266,153	\$127.53	
				8/1/2033	\$25,506	\$306,076	\$146.66	
				8/1/2036	\$29,332	\$351,988	\$168.66	
				8/1/2041	\$33,732	\$404,786	\$193.96	

Lease Abstract

Tenant	KFC
Lease Commencement	8/1/2016
Lease Expiration	7/31/2036
Options	Two (2), Five (5) Year Options
Building Size	2,087 SF
Lot Size	10,491 SF
Rent Schedule	
Current	\$201,250
8/1/2023	\$231,438
8/1/2028	\$266,153
8/1/2033	\$306,076
Increase Schedule	15% in years 8, 13, and 18
Option 1 (8/1/2036)	\$351,988
Option 2 (8/1/2041)	\$404,786
Option Increase Schedule	15% at each option
Property Taxes	TT shall pay its pro rata share of Real Estate Taxes
TT Liability Insurance	TT shall, at TT's expense, obtain and keep in force during the term of this Lease a Commercial General Liability policy of insurance protecting LL and TT (as an additional named insured) against claims for bodily injury, personal injury and property damaged. Single limit coverage in an amount not less than \$2,000,000 per occurrence with an annual aggregate not less than \$5,000,000.
TT Property Insurance	TT shall, at TT's expense, either by separate policy or by endorsement to a policy already carried, maintain insurance coverage on all of TT's Trade Fixtures and other personal property in, on, or about the Premises similar in coverage to that carried by TT's under Paragraph 8.3 of Lease.
CAM	NNN
Utilities	TT shall pay Utilities directly to utility providers



Advisory Team

Bill Bauman

Vice Chairman
213.298.3593
bill.bauman@ngkf.com
CA RE License #00969493

Kyle Miller

Executive Managing Director
213.298.3597
kyle.miller@ngkf.com
CA RE License #01716644

Matthew Schwartz

Director
213.298.3598
matt.schwartz@ngkf.com
CA RE License #01973902

NEWMARK

700 S. Flower Street, Suite 2500
Los Angeles, CA 90017
nkfsocalretail.com