

- Core Infill Los Angeles Location
- 20 Year Lease Term
- New Construction
- 137,000 Cars Per Day at Intersection



5208 W Centinela Ave.  
Los Angeles, CA 90045





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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

### Michael Fogel

Director

213.340.5682

michael.fogel@ngkf.com

CA RE License #02008241



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



\* Not actual property







# Investment Summary



\* Not actual property



# Investment Summary

The NKF Retail Capital Markets team is pleased to present the opportunity to acquire a brand new, trophy single tenant NNN Chick-fil-A 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.

The subject property consists of a newly developed Chick-fil-A located on 44,431 square feet of land on the northwest corner of La Cienega Boulevard and Centinela Avenue in the city of Los Angeles. The property is surrounded by best-in-class tenants including a KFC/Taco Bell, Burger King, Marshalls, future Del Taco and a high-tech grocer. The Property was developed in 2020, with Chick-fil-A on a brand new 20-year year ground lease with zero landlord responsibilities.

This location will stand as the flagship restaurant for Chick-fil-A in Los Angeles, which was recently rated for the third consecutive year American's most beloved fast-food restaurant in American Customer Satisfaction. In addition, as of this year Chick-fil-A is ranked #1 in average sales per unit, brining in an impressive \$4,517,000 across all 2,500 locations.

According to Business Insider, the company receives over 20,000 franchise applications annually of which only 80 are approved, less than 1%. Since its inception, Chick-fil-A has been extremely detail-oriented in how it looks for its operators (franchisees); such as "proven track record in business leadership," demonstrably successful management of one's own money, and a commitment to "have no other active business venture." The past few years have seen Chick-fil-A go from a Southern cult favorite to one of the most dominant fast food chains in America.

Chick-fil-A offers investors the rare opportunity to acquire a newly developed, 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

## Stable and Secure Investment Opportunity

- Ranks number one across quick service restaurants in the country on a per-unit basis, with average annual individual store sales estimated at \$4.517 million
- Chick-fil-A operates more than 2,500 restaurants, running a very strict franchise model
- The company ranks #3 in terms of systemwide sales, generating \$11 billion. They fall short of only McDonald's and Starbucks
- The company is entering new markets at an unprecedented rate, including internationally

## High Profile, High Barrier to Entry Location

- Chick-fil-A is a brand-new building located on the hard corner of La Cienega Blvd and Centinela Ave
- New 20-year ground lease with six (6), (5) five-year options to extend with 10% rental increases every (5) years
- Top 3 most highly coveted NNN, QSR tenants to own from a net lease investment standpoint
- Chick-fil-A self-maintains their parcel allowing for little to zero landlord responsibilities

## Exceptional Demographic Characteristics

- 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, KFC/Taco Bell, Jersey Mike's, and Dunkin'
- Located at the signalized corner of La Cienega Blvd and Centinela Ave, two primary arterials connecting to the 405 Freeway

## Offered 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



High Tech  
Grocer

**DEL TACO**  
& Future  
Shops

**Marshalls**

2 Story  
Professional Office



*La Cienega Blvd.*

*Centinela Ave.*



# Listing Terms

Price



**\$15,000,000**

NOI



**\$450,000**

Cap Rate



**3.00%**

Offered GLA



**±4,000 SF**

Offered Land



**1.02 Ac.**

Year Built



**2020**



\* Representative Photo





Downtown  
Los Angeles



High Tech  
Grocer

Centinela Ave.

2 Story  
Professional  
Office

S. La Brea Blvd.

Marshalls

La Cienega Blvd.













# Area Overview



\* Not actual property



## 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**





Marshalls

2 Story  
Professional Office



High Tech  
Grocer



*S. La Tijera Blvd.*

*Centinela Ave.*

*La Cienega Blvd.*

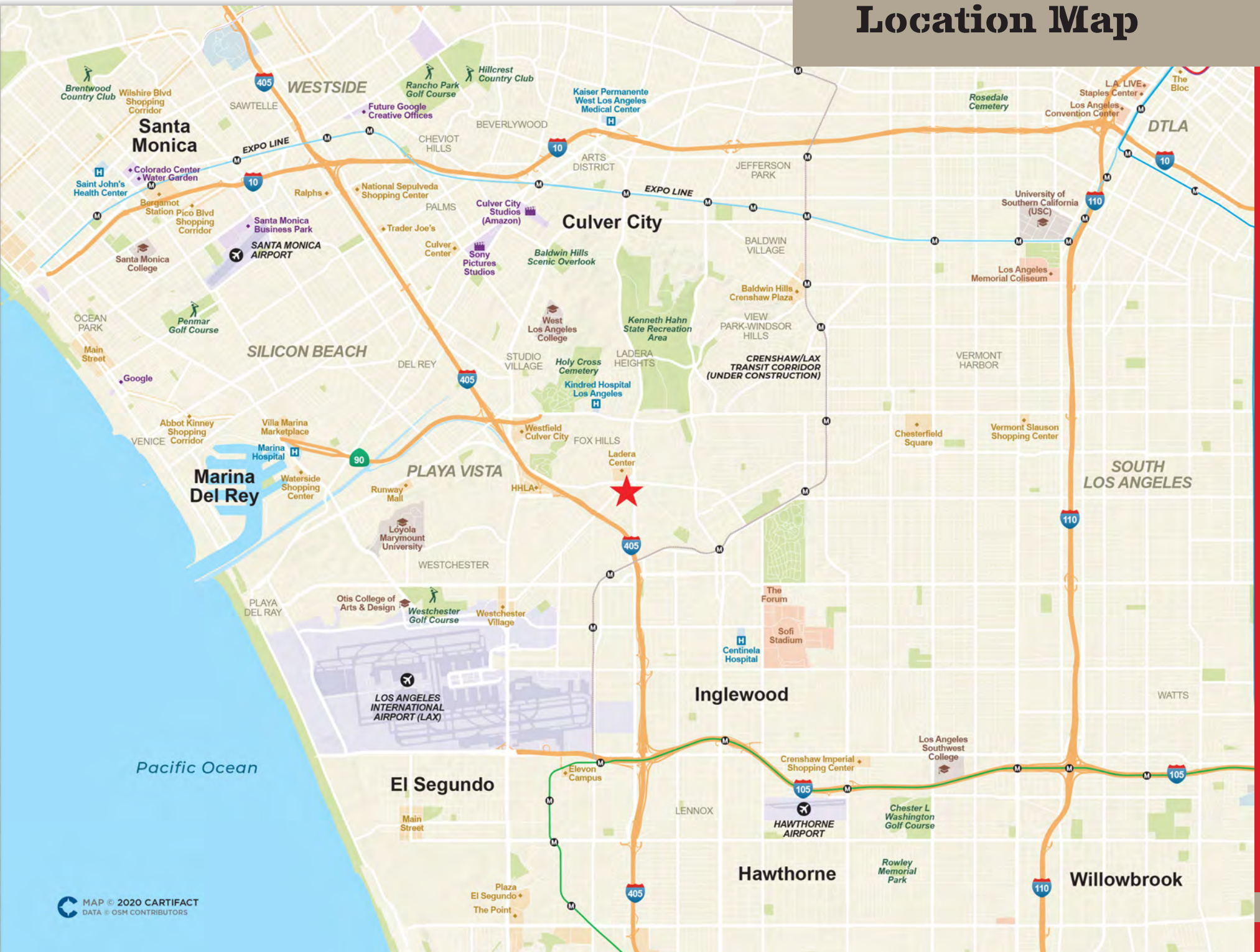


# Amenities Map





# Location Map









# Property Description



\* Not actual property



# Property Description

The subject property is a brand-new Chick-fil-A located on the northwest corner of La Cienega Boulevard and Centinela Avenue 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  $\pm 4,000$  square feet with co-tenants such as Burger King, KFC/Taco Bell, 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.

\* Not actual property



## Property Highlights

Offered GLA



**$\pm 4,000$  SF**

Year Built



**2020**

Offered Land



**1.02 Ac.**

Zoning



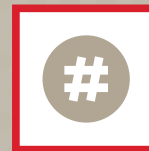
**LAC2**

Occupancy



**100%**

APN



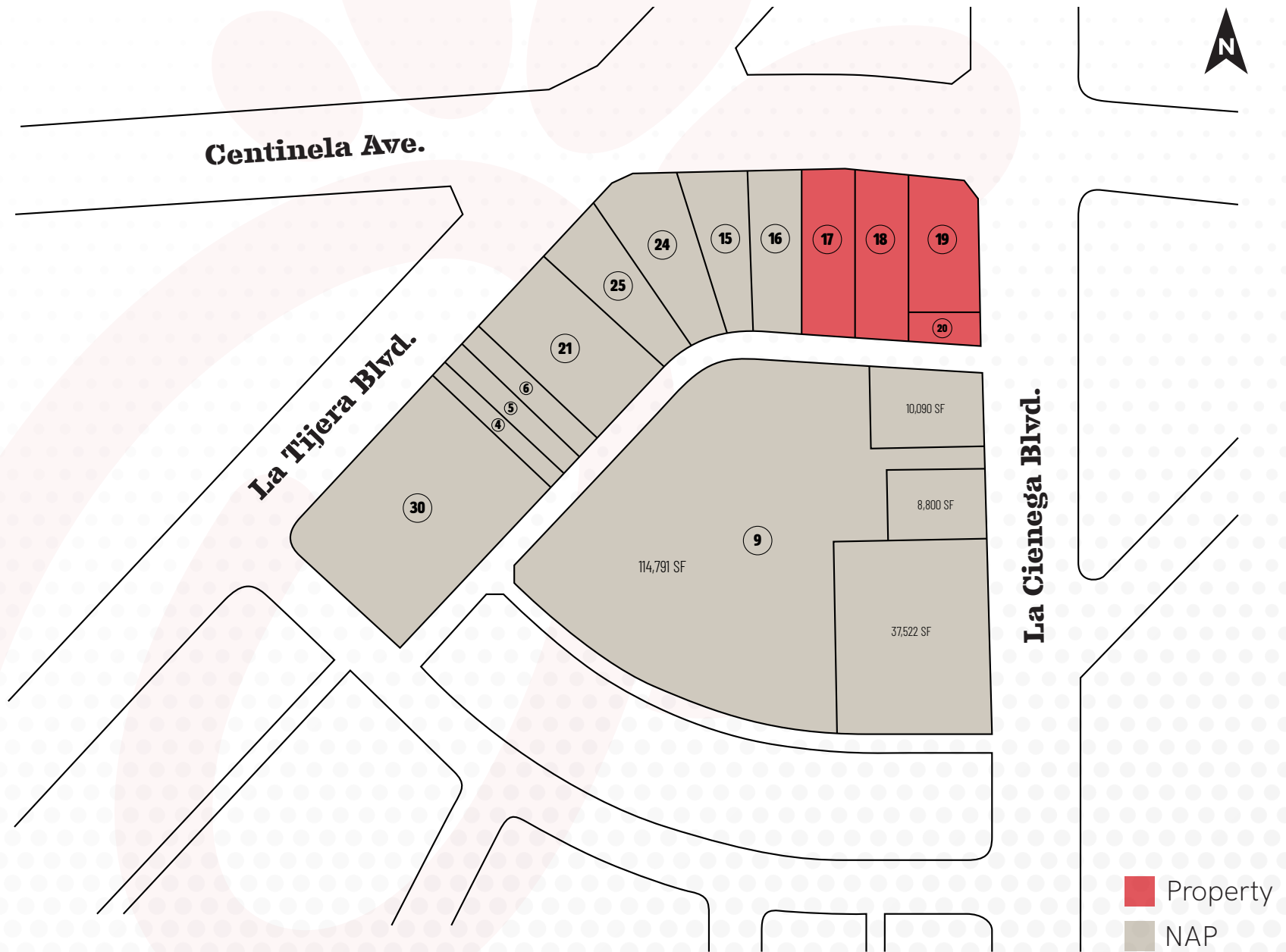
**4103-002-017  
4103-002-018  
4103-002-019  
4103-002-020**







# Parcel Map





# Site Plan









# Tenant Overview







\* Not actual p



# Company Summary

Headquarters



**College Park, GA**

Founded



**1946**

Number of Restaurants



**+2,600**

Stock Symbol



**Private**

Revenue



**\$5.8B**

Operating Cash Flow



**\$1.4B**

# Company Overview

Chick-fil-A is one of the largest American fast food restaurant chains and the largest whose specialty is chicken sandwiches. Its headquarters is in College Park, Georgia. Chick-fil-A was originally founded as the Dwarf Grill in 1946, changing the name to 'Dwarf House' until rebranding as Chick-fil-A in 1967. The company operates more than 2,605 restaurants, primarily in the United States with locations in 48 states. The restaurant serves breakfast before transitioning to its lunch and dinner menu. Chick-fil-A also offers customers catered selections from its menu for special events. Many of the company's values are influenced by the religious beliefs of its late founder, S. Truett Cathy, a devout Southern Baptist. All Chick-fil-A restaurants are closed for business on Sundays, as well as on Thanksgiving and Christmas.









# Financial Summary



\* Not actual property



# Rent Roll

Tenant	SF	Lease Start	Lease End	Increases	Monthly	Annual	\$/SF/Yr	Options
Chick-fil-A, Inc	±4,000	TBD	TBD	Current	\$37,500	\$450,000	\$68.31	Six (6), Five (5) Year Options
				Years 6-10	\$37,500	\$450,000	\$68.31	
				Years 11-15	\$41,250	\$495,000	\$75.14	
				Years 16-20	\$45,375	\$544,500	\$82.65	
				Option 1	\$49,913	\$598,950	\$90.92	
				Option 2	\$54,904	\$658,845	\$100.01	
				Option 3	\$60,394	\$724,730	\$110.01	
				Option 4	\$66,434	\$797,202	\$121.01	
				Option 5	\$73,077	\$876,923	\$133.11	
				Option 6	\$80,385	\$964,615	\$146.42	





# Lease Abstract

<b>Tenant</b>	Chick-fil-A, Inc
<b>Rent Commencement</b>	11/12/20
<b>Lease Commencement</b>	TBD
<b>Lease Expiration</b>	TBD
<b>Options</b>	Six (6), Five (5) Year Options
<b>Building Size</b>	±4,000 SF
<b>Lot Size</b>	44,431 SF
<b>Renewal Options</b>	
<b>Current</b>	\$450,000
<b>Years 6-10</b>	\$450,000
<b>Years 11-15</b>	\$495,000
<b>Years 16-20</b>	\$544,500
<b>Increase Schedule</b>	10% Every (5) Years
<b>Option 1</b>	\$598,950
<b>Option 2</b>	\$658,845
<b>Option 3</b>	\$724,729.50
<b>Option 4</b>	\$797,202.45
<b>Option Increase Schedule</b>	10% at each option
<b>Property Taxes</b>	TT shall pay its pro rata share of Real Estate Taxes
<b>TT Liability Insurance</b>	TT will obtain and keep in force commercial general liability insurance covering the Demised Premises with limits of at least \$3,000,000 per occurrence and \$5,000,000 in the aggregate for bodily injury and property damage.
<b>TT Property Insurance</b>	TT shall at all times during the Term, at TT's expense, procure and maintain in full force, property insurance covering TT's furniture, fixtures, equipment, and other personal property in, upon or about the Land on a cause of loss - special form, formerly "all risk" (or reasonable equivalent), in an amount equal to 100% of the insurable replacement cost of the insured property.
<b>CAM</b>	NNN
<b>Utilities</b>	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

### Michael Fogel

Director  
213.340.5682  
michael.fogel@ngkf.com  
CA RE License #02008241



700 S. Flower Street, Suite 2500  
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