

8304 EL CAMINO REAL, ATASCADERO, CA 93422

ABSOLUTE NNN-FEE SIMPLE

**BURGER  
KING**



Marcus & Millichap





# BURGER KING

OFFERING MEMORANDUM



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section 1

# Executive Summary

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investment highlights

tenant profile





8304  
El Camino Real,  
Atascadero, CA  
93422

Palomar Ave.

El Camino Real Fwy.

El Camino Real



# OFFERING SUMMARY

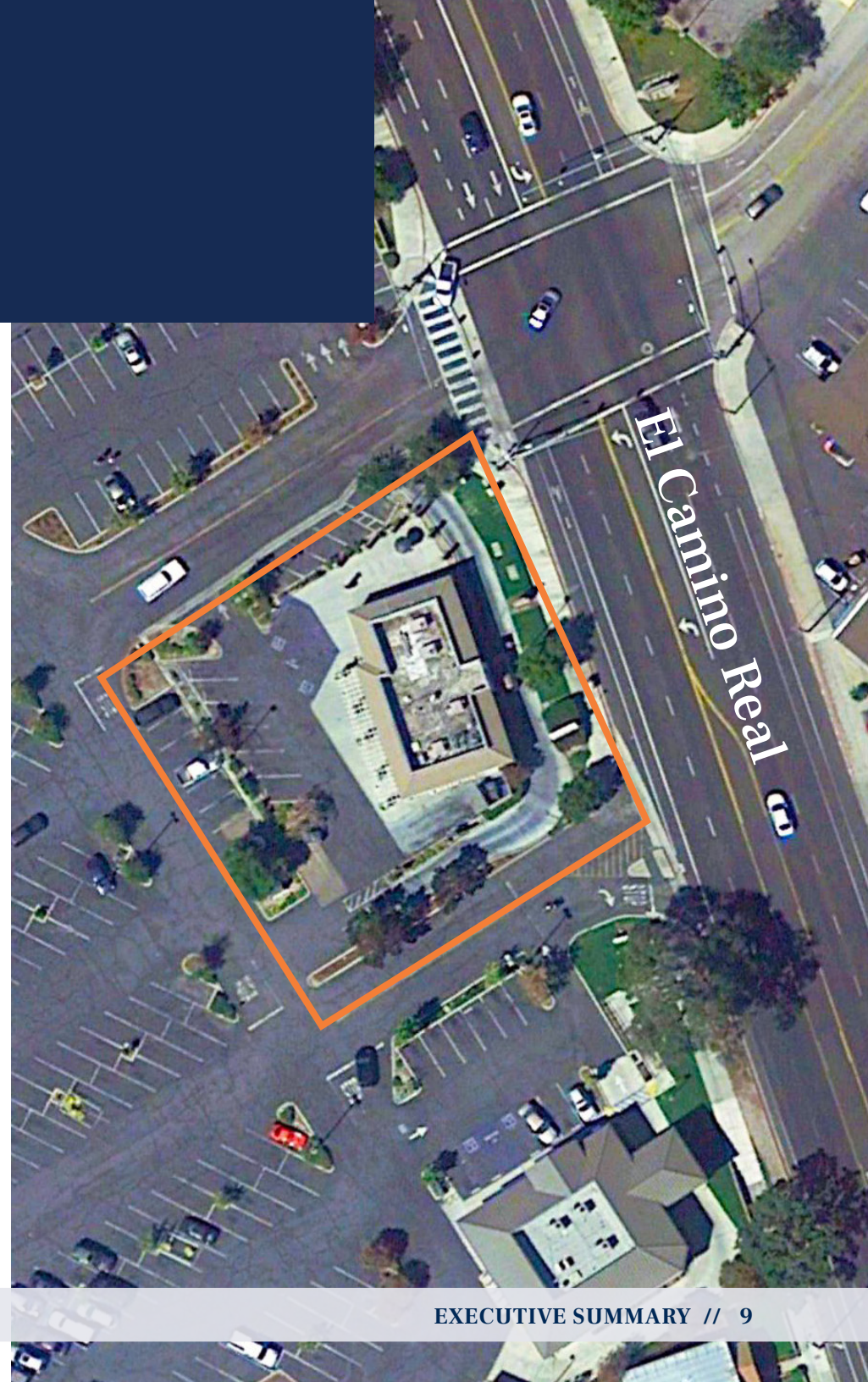
8304 EL CAMINO REAL, ATASCADERO, CA 93422

 **\$1,490,600**

Price /SF: \$532.36

Building SF	2,800 SF
Land SF	21,780 SF
Current CAP Rate	4.00%
2023 CAP Rate	4.40%
NOI	\$59,624
Term Remaining	13 Years
Options	2-Five Year Options
Increases	10% during Term & Options
Landlord Responsibility	None
Year Built	1997
APN	056-041-047
Zoning	CR

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# INVESTMENT HIGHLIGHTS

- Over 13 Years Remaining on Absolute NNN Fee-Simple Lease - Zero Landlord Responsibilities
- Essential Use - Pandemic & Recession Proof
- Attractive 10 percent Increases Every Five Years - Hedge Against Inflation with Below Market Rent \$1.77 /Square Foot Monthly
- Strong 140+ Unit Franchisee Guarantee California Food Management, LLC - All 140+ Units on Guarantee
- Excellent 1031 Exchange Property - Low Price Point
- Excellent Visibility on Hwy 101 and El Camino Real with Ideal Access, Drive-Thru use for Primary Retail Corridor of Atascadero, California.
- Average Household Income Over \$96,000 in a Five Mile Radius

Marcus & Millichap is pleased to present a coastal California absolute NNN Fee-Simple Burger King opportunity on the high traffic corridor of El Camino Real in the City of Atascadero, California. 8304 El Camino Real presents investors with a long term leased absolute NNN Burger King drive-thru guaranteed by a 140+ Unit franchisee California Food Management, LLC. The “essential use” operator has over 13 years remaining on their initial 20 year term with favorable 10 percent increases every five years through the term and options. The tenant is currently paying 40 percent below market rent.

The site benefits from over 20,000 cars per day on the substantial retail corridor for the area and over 155 feet of frontage along El Camino Real which runs parallel with immediate access to the United States 101 Highway with over 65,500 cars per day. Demographics of over 34,000 people and average household income of over \$96,000 in a five mile radius. Situated on a signalized outparcel to a shopping center anchored by essential uses Food4Less, CVS and Goodwill. Other surrounding tenants include Smart & Final, Walgreens, Ace Hardware, US Bank, AutoZone, Chase Bank, Shell, 7-Eleven, Motel 6 and Jiffy Lube.





Founded in 1954, the BURGER KING® brand is the second largest fast food hamburger chain in the world. The original HOME OF THE WHOPPER®, the BURGER KING® system operates more than 17,800 locations in more than 100 countries and United States territories. Almost 100 percent of BURGER KING® restaurants are owned and operated by independent franchisees, many of them family-owned operations that have been in business for decades.

## TENANT PROFILE

Website	www.bk.com
Founded	1954
Headquarters	Miami, FL
Locations	± 17,800
Customers Per Day	± 11 Million
Guarantee	Personal Guarantee 140+ Unit Operator California Food Management, LLC
NYSE:	QSR



Locations

± 17,800



Customers Per Day

± 11,000,000







section 2

# Property Description

aerials

property details & plot plan

property pictures





57,900  
CARS PER DAY

El Camino Real Fwy.



El Camino Real

17,263  
CARS PER DAY









# PROPERTY DETAILS & PLOT PLAN

Land SF



21,780

Building SF



2,800

Year Built



1997

Zoning



CR

Location



Atascadero





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section 3

# Financial Analysis

pricing summary & financial summary

current rent roll



# PRICING DETAILS & FINANCIAL SUMMARY

PRICING SUMMARY:				FINANCING:			
<div><div>Price:</div><div>\$1,490,600</div></div>				<div><div>New Financing</div><div></div></div>			
<div>Down Payment:</div>		<div>\$745,300</div>	<div>50%</div>	<div>Balance:</div>	<div>\$745,300</div>		
<div>Current Cap Rate:</div>		<div>4.00%</div>	<div>Cash on Cash</div>	<div>2.44%</div>	<div>Term:</div>	<div>10</div>	
<div>ProForma Cap Rate 2024:</div>		<div>4.40%</div>	<div>Cash on Cash</div>	<div>3.24%</div>	<div>Rate:</div>	<div>3.75%</div>	
<div>TI &amp; Leasing Commission:</div>		<div>\$0</div>	<div>Amortization:</div>			<div>30</div>	
<div>Year Built/Renovated:</div>		<div>1997</div>	<div>Maturity Date:</div>			<div>9/30/2030</div>	
<div>Total Building Size:</div>		<div>2,800</div>	<div>Zoning:</div>	<div>CR</div>			
<div>Price Per Square Foot:</div>		<div>\$532.36</div>	<div>Parking:</div>	<div>19 Stalls</div>			
<div>Lot Size (SF):</div>		<div>21,780</div>				<div>Yearly Payment:</div>	<div>\$41,419</div>
FINANCIAL SUMMARY:				ESTIMATED EXPENSES:			
		<div>Sep-20</div>	<div>Jan-23</div>				
<div>Total Rental Income (GLA):</div>		<div>\$59,624</div>	<div>\$65,586</div>		<div>Property Tax:</div>	<div>\$16,739</div>	
<div>Expense Reimbursements:</div>		<div>\$21,919</div>	<div>\$21,919</div>		<div>Insurance:</div>	<div>\$1,680</div>	
<div>Total Gross Revenue:</div>		<div>\$81,543</div>	<div>\$87,506</div>		<div>CAM:</div>	<div>\$3,500</div>	
<div>Operating Expenses:</div>		<div>(\$21,919)</div>	<div>(\$21,919)</div>		<div>Property Management:</div>	<div>\$0</div>	
<div>Net Operating Income (NOI):</div>		<div>\$59,624</div>	<div>4.00%</div>	<div>\$65,586</div>	<div>4.40%</div>		
<div>First Trust Deed/Mortgage:</div>		<div>\$41,419</div>	<div>41,419</div>				
<div>Pre-Tax Cash Flow:</div>		<div>\$18,205</div>	<div>2.44%</div>	<div>\$24,167</div>	<div>3.24%</div>		
<div>Interest Payment:</div>		<div>\$27,715</div>	<div>\$25,821</div>				
<div>Principle Payment:</div>		<div>\$13,704</div>	<div>\$15,334</div>				
<div>Total Return:</div>		<div>\$31,909</div>	<div>4.28%</div>	<div>\$39,501</div>	<div>5.30%</div>		
				<div>Total Expenses:</div>		<div>\$21,919</div>	
				<div>Expenses Per Sq. Ft (GLA):</div>		<div>\$0.65</div>	
<div>This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.</div>							



# CURRENT RENT ROLL

## CURRENT RENT ROLL:

*Initial Lease 2013 for 20 yrs. w/ 2-5 yrs. Options*

**10 % Increases Every 5 Years During Term and Options**

**Currently w/ 13 Years Remaining on Initial Term**

Start	End	Rent	Rent/PSF
1/1/2018	1/1/2023	\$59,624	\$1.77
1/1/2023	1/1/2028	\$65,586	\$1.95
1/1/2028	1/1/2033	\$72,145	\$2.15



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## section 4

# Market Overview

location overview

demographics





# ATASCADERO

CALIFORNIA

POPULATION  
34,466



# City Of ATASCADERO

## Mission Statement

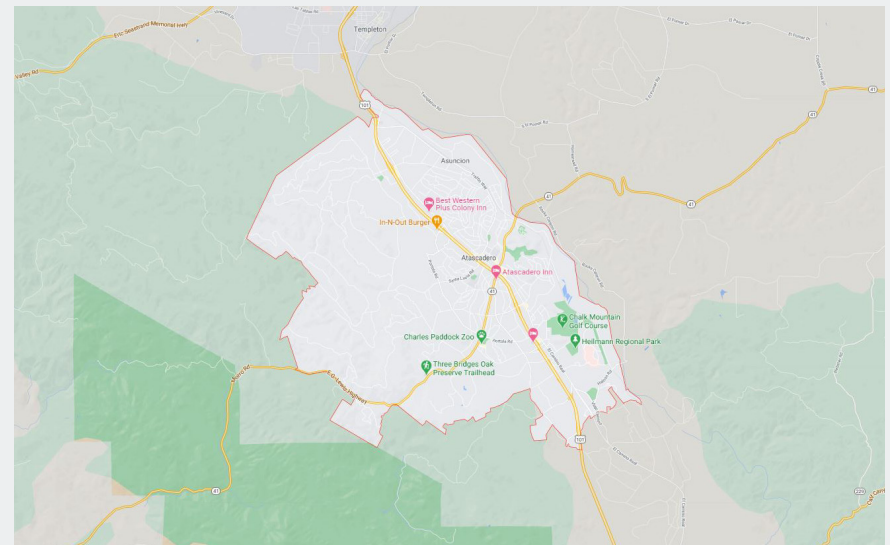
The City of Atascadero is committed to building community by fostering an outstanding quality of life with excellent public service, stewardship of the environment, preservation of our heritage and promotion of economic prosperity.

The City of Atascadero is a community located halfway between Los Angeles and San Francisco on Highway 101, about 225 miles from each city. Atascadero is situated within an oak forest off Highway 101 twenty miles north of San Luis Obispo and 10 miles south of Paso Robles. Nearby California Highways 41 and 46 provide easy access to the Pacific Coast and the Central Valley of California.

Atascadero is the third-largest city in San Luis Obispo County. Many of the very principles that E.G. Lewis envisioned for his “utopian city” are ensured through the city’s general plan, which includes preservation of open space, protection of trees and hillsides, the keeping of domestic animals, and large lot sizes. It was Mr. Lewis who first had the vision in which he foresaw the future of Atascadero as a creative, rural community.

The City offers many recreational possibilities such as our Downtown and Sunken Gardens area, golf, scenic roads and trails, shopping, restaurants, and the Atascadero Lake Park and Zoo facilities. Accommodations are available to include numerous Motels, Bed and Breakfast Inns, and the recently opened Carlton Hotel described by the editors of the Tribune as the “jewel” of the Central Coast.

Atascadero is also home to one of the County’s largest employers, the Atascadero State Hospital, and is a growing center of tourism, commerce and employment in Northern San Luis Obispo County.





# DEMOGRAPHICS

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POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	7,967	27,201	35,655
■ 2020 Estimate			
Total Population	7,749	26,322	34,466
■ 2010 Census			
Total Population	7,288	24,588	32,121
■ 2000 Census			
Total Population	7,756	23,356	30,079
■ Current Daytime Population			
2020 Estimate	6,255	22,156	27,922
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	3,328	10,563	13,845
■ 2020 Estimate			
Total Households	3,212	10,127	13,271
Average (Mean) Household Size	2.45	2.47	2.50
■ 2010 Census			
Total Households	2,962	9,240	12,103
■ 2000 Census			
Total Households	2,962	8,385	10,797
■ Occupied Units			
2025 Projection	3,328	10,563	13,845
2020 Estimate	3,344	10,637	13,968
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$150,000 or More	9.45%	12.55%	15.46%
\$100,000 - \$149,000	18.23%	20.24%	21.65%
\$75,000 - \$99,999	17.47%	16.41%	15.76%
\$50,000 - \$74,999	18.18%	16.95%	16.32%
\$35,000 - \$49,999	14.66%	12.04%	10.94%
Under \$35,000	22.01%	21.81%	19.88%
Average Household Income	\$81,267	\$90,823	\$99,820
Median Household Income	\$68,546	\$73,857	\$79,295
Per Capita Income	\$33,794	\$35,815	\$39,143

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$81,711	\$84,966	\$87,932
■ Consumer Expenditure Top 10 Categories			
Housing	\$23,866	\$24,837	\$25,690
Shelter	\$15,315	\$15,837	\$16,206
Transportation	\$12,931	\$13,508	\$13,964
Food	\$8,979	\$9,197	\$9,419
Personal Insurance and Pensions	\$8,647	\$9,056	\$9,463
Health Care	\$4,974	\$5,131	\$5,375
Utilities	\$4,071	\$4,211	\$4,362
Entertainment	\$3,644	\$3,817	\$4,014
Household Operations	\$1,996	\$2,193	\$2,405
Apparel	\$1,848	\$1,949	\$2,067
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	7,749	26,322	34,466
Under 20	24.68%	23.42%	22.85%
20 to 34 Years	20.33%	19.79%	18.43%
35 to 39 Years	6.88%	6.87%	6.43%
40 to 49 Years	10.87%	12.08%	11.75%
50 to 64 Years	21.37%	21.67%	22.53%
Age 65+	15.88%	16.14%	18.00%
Median Age	38.55	39.93	42.01
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	5,304	18,394	24,348
Elementary (0-8)	1.78%	1.99%	1.83%
Some High School (9-11)	4.60%	5.39%	5.00%
High School Graduate (12)	23.54%	22.54%	21.38%
Some College (13-15)	33.46%	30.21%	29.23%
Associate Degree Only	10.92%	11.09%	10.86%
Bachelors Degree Only	18.19%	18.78%	20.15%
Graduate Degree	7.15%	9.36%	10.90%





34,466

Total Population Within 5 Mile Radius



\$99,820

Average Household Income within  
5 Mile Radius



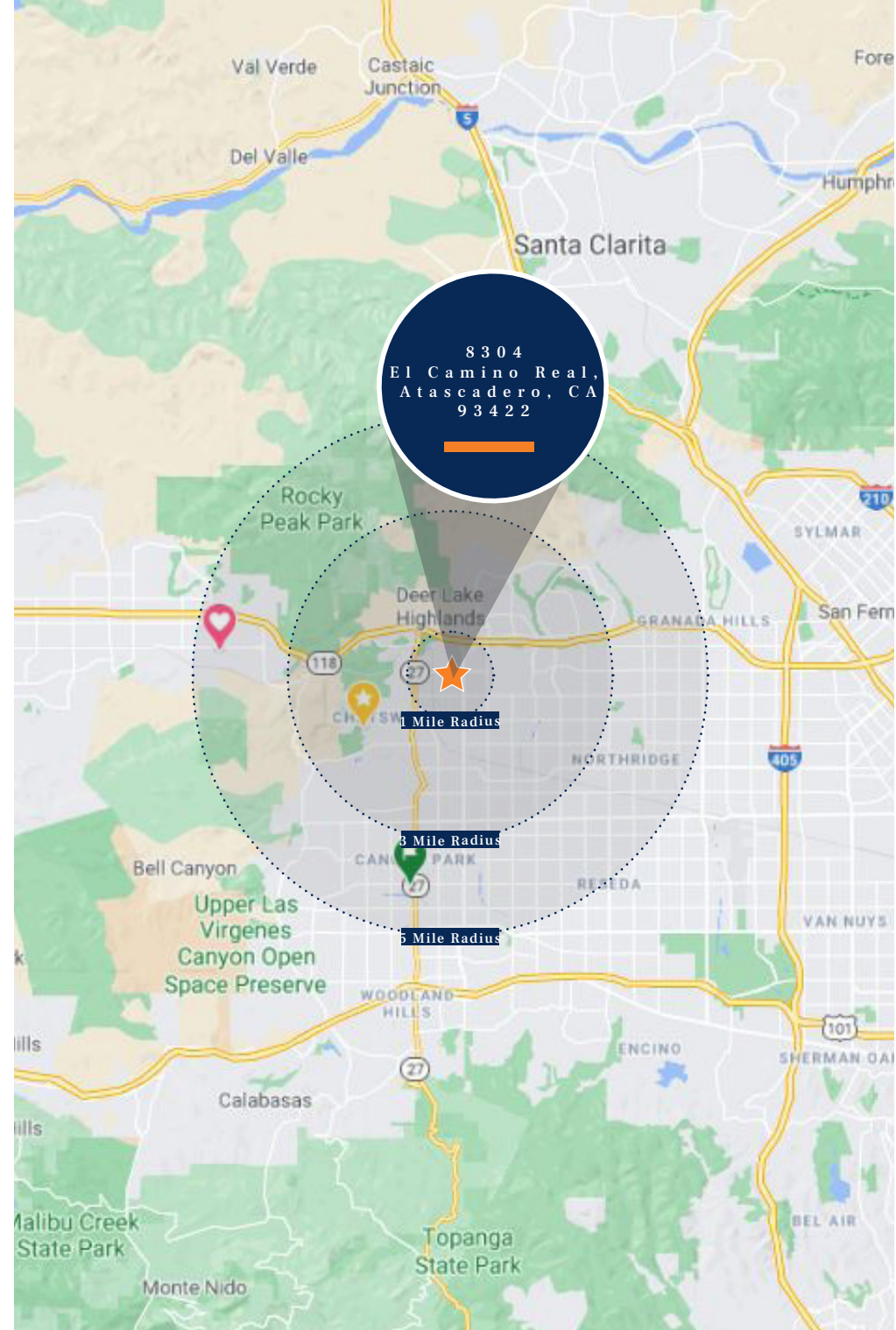
\$79,295

Median Housing Income within  
5 Mile Radius



13,271

Total Households in 5 Mile Radius







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