

ABSOLUTE NNN | SINGLE TENANT
INVESTMENT OPPORTUNITY

JACK IN THE BOX



14618 7TH ST | VICTORVILLE, CA 92395



Subject Property

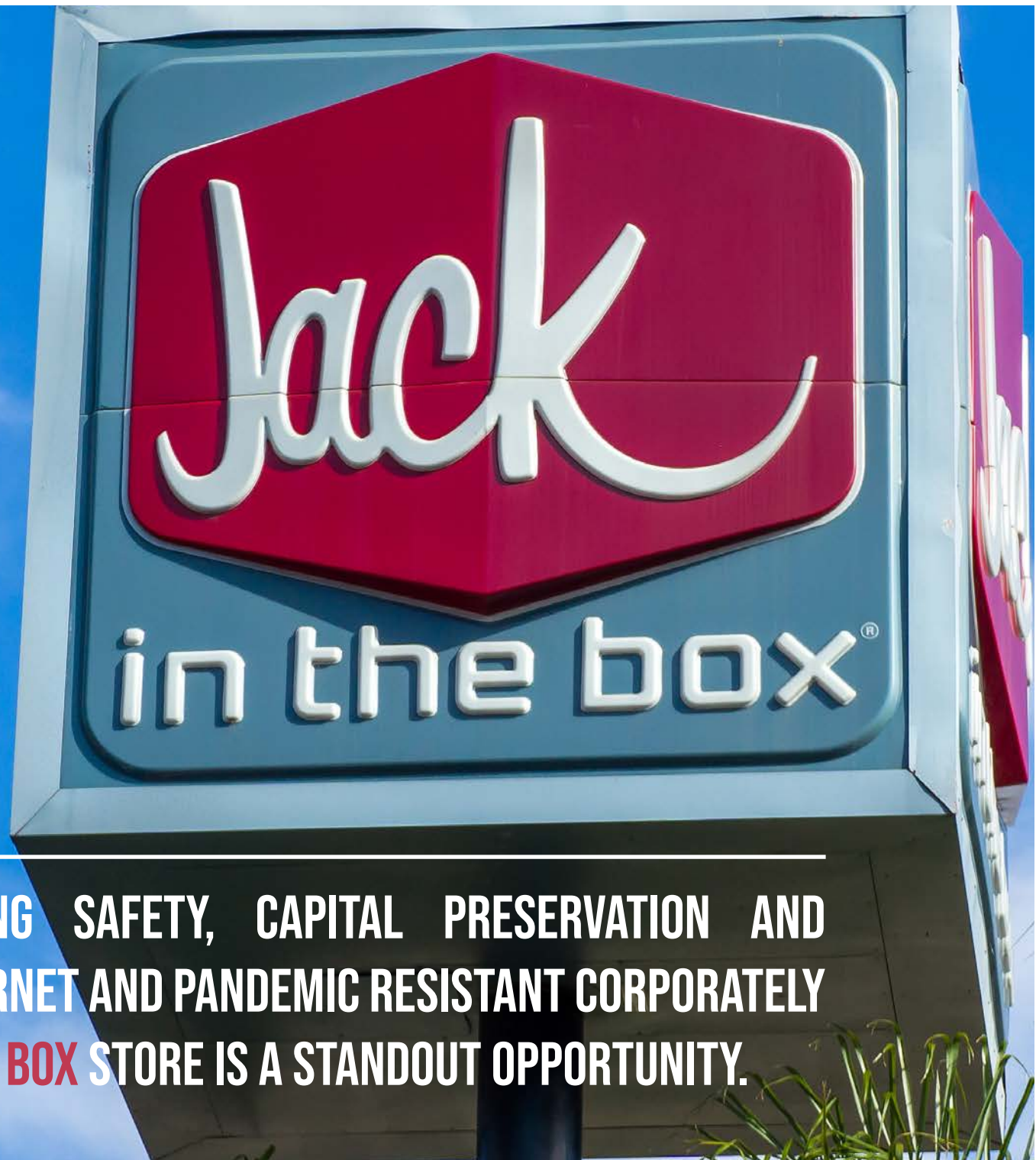


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12.2%

RISE IN THIRD QUARTER SAME-STORE SALES



FOR INVESTORS SEEKING SAFETY, CAPITAL PRESERVATION AND APPRECIATION, THIS INTERNET AND PANDEMIC RESISTANT CORPORATELY GUARANTEED **JACK IN THE BOX** STORE IS A STANDOUT OPPORTUNITY.

INVESTMENT SUMMARY



AMERICANS EAT **554 MILLION** JACK
IN THE BOX TACOS EVERY YEAR

The NNN Investment Co. is pleased to present to qualified buyers the opportunity to purchase a recently renewed corporately guaranteed Jack in the Box store in Victorville, CA.

Located in Victorville's city center and surrounded by other national retailers, Jack in the Box has occupied this site for over 50 years. Their recent 20-year lease extension demonstrates their firm commitment to the site.

This passive investment, ideal for a 1031 buyer, will afford an investor long-term, passive cash flow. The fast food industry has been one of the most stable throughout the pandemic as drive-thru sales have helped restaurants post strong sales figures.

\$3,194,623

PRICE

3.80%

CAP RATE

\$121,395

NOI*



*Seller to credit difference between current rent and July 2022 rent.



PROPERTY OVERVIEW

Since 1951, Jack in the Box has been a fast food pioneer, debuting a number of industry “firsts” some of which include, drive-thru dining, breakfast sandwiches, portable salad, and self-serve kiosks.

PROPERTY DETAILS

Tenant	Jack in the Box Properties, LLC
Address	14618 7Th Street, Victorville, CA 92395
Building Size	1,638 SF
Land Size	14,980 SF
Lease Expiration	June 22, 2042
Lease Term	Approximately 21.5 Years
Options	4 x 5 year options
Lease Type	Absolute NNN
Rent Increases	8% every 5 years Primary Term and Options

RENT SCHEDULE

Term	Lease Years	Date of Increase	% Increase	Annual Rent
Primary	Current	-	-	\$112,403.40
Primary	1 – 5	July 1, 2022	8%	\$121,395.67
Primary	6 - 10	July 1, 2027	8%	\$131,107.32
Primary	11 – 15	July 1, 2032	8%	\$141,595.90
Primary	16 - 20	July 1, 2037	8%	\$152,923.57



27 NEW STORES OPENED IN 2020
DESPITE THE PANDEMIC



INVESTMENT HIGHLIGHTS



The below metrics highlight a portion of the benefits afforded to a prospective investor.



NEW LONG-TERM LEASE

Jack in the Box recently renewed their lease for 20 years, providing over two decades of worry-free cash flow for a prospective investor.



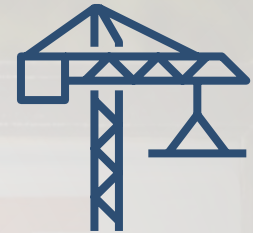
ABSOLUTE NNN LEASE

With zero Landlord responsibilities, the Absolute NNN lease structure provides for long-term, completely passive ownership.



SECURE SECTOR

The fast-food industry has been one of the most stable business sectors through the pandemic, as evidenced by the Tenant's 12.2%+ growth in sales.



TENANT IMPROVEMENTS

As part of the lease extension, Jack in the Box committed significant capital to upgrade the store, providing an enhanced aesthetic for the new owner.



TAX DEDUCTIONS

Unlike a ground lease, the fee simple land and building sale allows an investor to depreciate the asset, increasing the overall return.



DENSE MARKET

The property is located in a dense-infill area of Victorville, on a hard corner, at a lighted intersection, increasing the intrinsic value of the asset.

TENANT OVERVIEW



Jack in the Box, Inc. (NASDAQ: JACK) is a restaurant company headquartered in San Diego, CA and one of the nation's largest hamburger chains.



Jack in the Box is a Pioneer

- First major hamburger chain to develop a drive-thru
- First to introduce breakfast sandwiches in 1969
- First to introduce portable salads in 1982

Founded in 1951, Jack in the Box was the first major hamburger chain to develop drive-thru dining.

Jack in the Box pioneered a number of firsts in the quick-serve industry, including menu items that are now staples on most fast-food menus, like breakfast sandwiches and portable salads. Although best known for the "Jumbo Jack", the most popular menu item is the taco, which the company sells 554 million of each year.

The company has over 16,000 employees across 2,231 Jack in the Box restaurant locations in 21 states and Guam. 94% of Jack in the Box restaurants are franchise-operated, but are commonly supported or guaranteed by the corporate entity.

Jack in the Box utilizes a unique strategy to actively expand into new markets by developing stores in high

profile locations while simultaneously outsourcing the operations to franchisees. This strategy to enter new markets benefits both Jack in the Box, who seeks to increase brand exposure, along with franchise operators seeking growth. Despite the pandemic, Jack in the Box opened 27 new stores in 2020. The company could add as many as 1,100 locations in existing markets in the coming years.

Jack in the Box generated \$1.02 billion in revenue in 2020, a 7.5% increase from 2019. Same-store sales rose 4% on average in 2020, driven by a 12.2% increase in the 4th quarter.



**JACK IN THE BOX
GENERATED \$1.02
BILLION IN REVENUE IN
2020, A 7.5% INCREASE
FROM 2019**



\$3.7B
MARKET CAP



2,232
LOCATIONS

22K+
EMPLOYEES

21
STATES & TERRITORIES

JACK IN THE BOX HIGHLIGHTS



AREA OVERVIEW



AREA AT A GLANCE

The City of Victorville is one of the municipalities that make up the High Desert region of the Inland Empire.

Located in the Mojave Desert, at the high point between Los Angeles and Las Vegas, Victorville is the leading city for both industry and retail in the High Desert region. Victorville is a growing, vibrant community that is home to some of the area's largest employers and approximately 128,000 residents, although estimates suggest that this figure more than doubles during business hours to accommodate the needs of the more than 400,000 people. Clean air, abundant mountain vistas, family-friendly recreational activities, spectacular sunsets, and breathtaking night skies entice locals and visitors alike to fall in love with the city.

Victorville offers several advantages to other locations in the region, including a fully functioning airport, low utility costs and close proximity to all western markets. Victorville is the multi-modal transportation hub of Southern California - bringing ground, rail and air transportation together creating a pro-business, fast-track environment. As a result, an estimated 60% of all goods moving into and out of Southern California travel through Victorville. Victorville offers a central location with easy freeway access to I-15, US-395 and

SR-18, between Los Angeles and Las Vegas—just 40 miles from I-10 and I-40.

A city with much potential, Victorville has implemented a plan to foster development and tourism. More mixed use, higher density residential projects and transportation are essential to attracting the work force that will lead to diversified economic development. Victorville executed plans for a 35% growth in new home permits in 2019, roughly 15,663 homes planned in the Victor Valley region. Additionally, the Southern California-Las Vegas Rail Project has plans to break ground this spring. This 170-mile high-speed passenger rail project will go from Las Vegas to Victorville with plans to eventually continue another 80 miles west from Victorville to Los Angeles. The California-Nevada project is expected to take 90 minutes to move passengers at 180 mph between Las Vegas, Victorville and northeast Los Angeles. The total project cost is estimated at \$7 billion and will be privately financed. Brightline West will build, operate, and maintain the high-speed rail.

A city with much potential, Victorville boasts mixed use, higher density residential projects and transportation that are essential to attracting the work force that will lead to diversified economic development.

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	9,051	83,733	166,010
2020 Estimate	8,748	79,735	159,703
2010 Census	8,134	71,379	146,984
INCOME	1-MILE	3-MILE	5-MILE
2020 Average Household Income	\$48,443	\$67,075	\$74,670



HIGH TRAFFIC HARD CORNER LIGHTED INTERSECTION

VICTORVILLE IS THE LEADING CITY FOR BOTH INDUSTRY AND
RETAIL IN THE HIGH DESERT REGION.



159,703
TOTAL POPULATION



152,171
DAYTIME POPULATION



\$74,670
AVERAGE HOUSEHOLD INCOME



4,602
BUSINESSES



.8%
POPULATION GROWTH RATE



46,799
HOUSEHOLDS

Demographics within a 5-mile radius of subject property.

AREA OVERVIEW MAP





A PRIVATE REAL ESTATE ADVISORY & INVESTMENT FIRM

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EXCLUSIVELY LISTED BY:



MICHAEL CAMPBELL, CCIM
Managing Director
NNN Investment Co.
619.546.0122
Michael@NNNInvCo.com

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