



PizzaHut

PizzaHut



UNAUTHORIZED VEHICLES PARKED  
IN DESIGNATED ACCESSIBLE  
SPACES AND DISPLAYING  
DISTINGUISHING PLACARDS OR  
SPECIAL LICENSE PLATES ISSUED  
FOR PERSONS WITH DISABILITIES  
WILL BE TOWED AWAY  
AT THE OWNER'S EXPENSE  
TOWED VEHICLES  
MAY BE RECLAIMED AT  
OR BY TELEPHONING



SANDS INVESTMENT GROUP  
NET INVESTMENTS... NET RESULTS

Pizza Hut  
9706 Magnolia Avenue  
Riverside, CA 92503



# EXCLUSIVELY MARKETED BY:



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# INVESTMENT SUMMARY

Sands Investment Group is Pleased to Exclusively Offer For Sale the Pizza Hut Located at 9706 Magnolia Avenue Riverside, CA. The Franchisee is Southern California Pizza Co., LLC, Which is the Largest Pizza Hut Franchisee in California & the 3<sup>rd</sup> Largest in the Pizza Hut System. They Operate 224 Pizza Hut Restaurants in the Greater Los Angeles Market. This Property Has a Recently Extended New 10 Year Lease Demonstrating the Tenant's Confidence in the Location. With Rare Annual 1.5% Increases and an Absolute Triple Net (NNN) Lease, This Deal Offers a Long-Term Secure Income Stream, Compounding Hedge Against Inflation With a Pandemic, Recession and an Internet Resistant Tenant.

## OFFERING SUMMARY

PRICE	\$1,440,000
CAP	5.00%
NOI	\$72,000
PRICE PER SF	\$1,000

## PROPERTY SUMMARY

ADDRESS	9706 Magnolia Avenue Riverside, CA 92503
COUNTY	Riverside
BUILDING AREA	1,440 SF
LAND AREA	0.22 AC
YEAR BUILT	1970



# HIGHLIGHTS

## BEST OF CLASS INVESTMENT

- Long Term Lease - New 10 Year Lease Extension
- Absolute Triple Net (NNN) Lease With Zero Landlord Responsibilities
- Ideal 1031 Exchange Opportunity
- Rare Annual 1.5% Increases Which Provides Strong Compounding Hedge Against Inflation
- Southern California Pizza Co., LLC is the Largest Pizza Hut Franchisee in California and the 3<sup>rd</sup> Largest in the Pizza Hut System; They Operate 224 Pizza Hut Restaurants in the Greater Los Angeles Market
- The Tenant Recently Extended the Initial Term of the Lease Demonstrating Its Strong Confidence in This Location For the Long-Term Investment Outlook
- Tenant Has Resided at This Location Since 2010 Proving Its Long-Term Operating History

## PANDEMIC, RECESSION & INTERNET RESISTANT TENANT

- Tenant Has Remained Open and is Paying Rent Throughout the COVID-19 Pandemic
- Takeout Only Concept Unaffected By Government Shutdown of Indoor Dining
- Early Lease Extension During Pandemic Demonstrates Strength of Concept and Operator

## DENSE SOUTHERN CALIFORNIA TRADE AREA

- Affluent Trade Area With an Average Household Income of Over \$75,569 Within a 3-Mile Radius
- Densely Populated Area With Over 271,560 People Within 5-Miles
- Nearby Retailers Include: Lowe's, Target, ALDI, Big Lots, Ross, Family Dollar, Kohl's, Dollar Tree, Macy's, Old Navy and More
- Located Directly Down the Street of the Galleria at Tyler Shopping Mall Which is a Vibrant Retail Entertainment and Dining Destination Attractive to Both Local Residents and Tourists





ACTUAL PROPERTY IMAGE

# LEASE SUMMARY

TENANT	Pizza Hut
PREMISES	A Building of Approximately 1,440 SF
LEASE COMMENCEMENT	April 16, 2010
LEASE EXPIRATION	February 28, 2031
LEASE TERM	~10 Years Remaining
RENEWAL OPTIONS	3 x 5 Years
RENT INCREASES	1.5% Annually
LEASE TYPE	Absolute Triple Net (NNN)
PERMITTED USE	Restaurant
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Tenant's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
RIGHT OF FIRST REFUSAL	Yes

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
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1,440 SF	\$72,000	\$50.00
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Kaiser Permanente  
Riverside Medical  
Center



FURNITURE MATTRESS  
WAREHOUSE



KOHL'S



CHEN LING PALACE



Burlington



Smart & Final

KOREANA

99¢  
only  
STORES

LOWE'S

O'Reilly AUTO PARTS



POPEYE'S

UnionBank

SPEEDY  
CASH

AMERICAN  
TIRE DEPOT

Magnolia Dental Care

Muir Avenue

Magnolia Villa  
Apartments



Myers Street

Magnolia Avenue



Mission Career College  
OUR MISSION IS YOUR SUCCESS





Riverside Freeway

California Baptist University

Chemawa Middle School

Parkview Community Hospital Medical Center



Riverside Municipal Airport

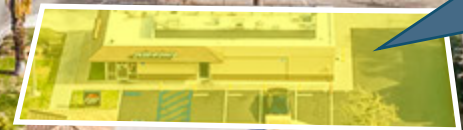
Sherman Indian High School

Magnolia Avenue

Myers Street



Magnolia Villa Apartments







RIVERSIDE | RIVERSIDE COUNTY | CA

The City of Riverside, incorporated on October 11, 1883, is located in the western portion of Riverside County, about 60 miles east of Los Angeles. The City currently occupies a land area of 81.507 square miles. The City is located in Inland Southern California, which consists of Riverside and San Bernardino Counties (the “MSA”). The population of Inland Southern California, at approximately 4.5 million, is larger than 24 states. With a 2020 population of 334,772, it is the 11th largest city in California and the 58th largest city in the United States. Riverside is a city of diversified elements and economies. It has a long-standing tradition of promoting a stable, sound and well-planned community.

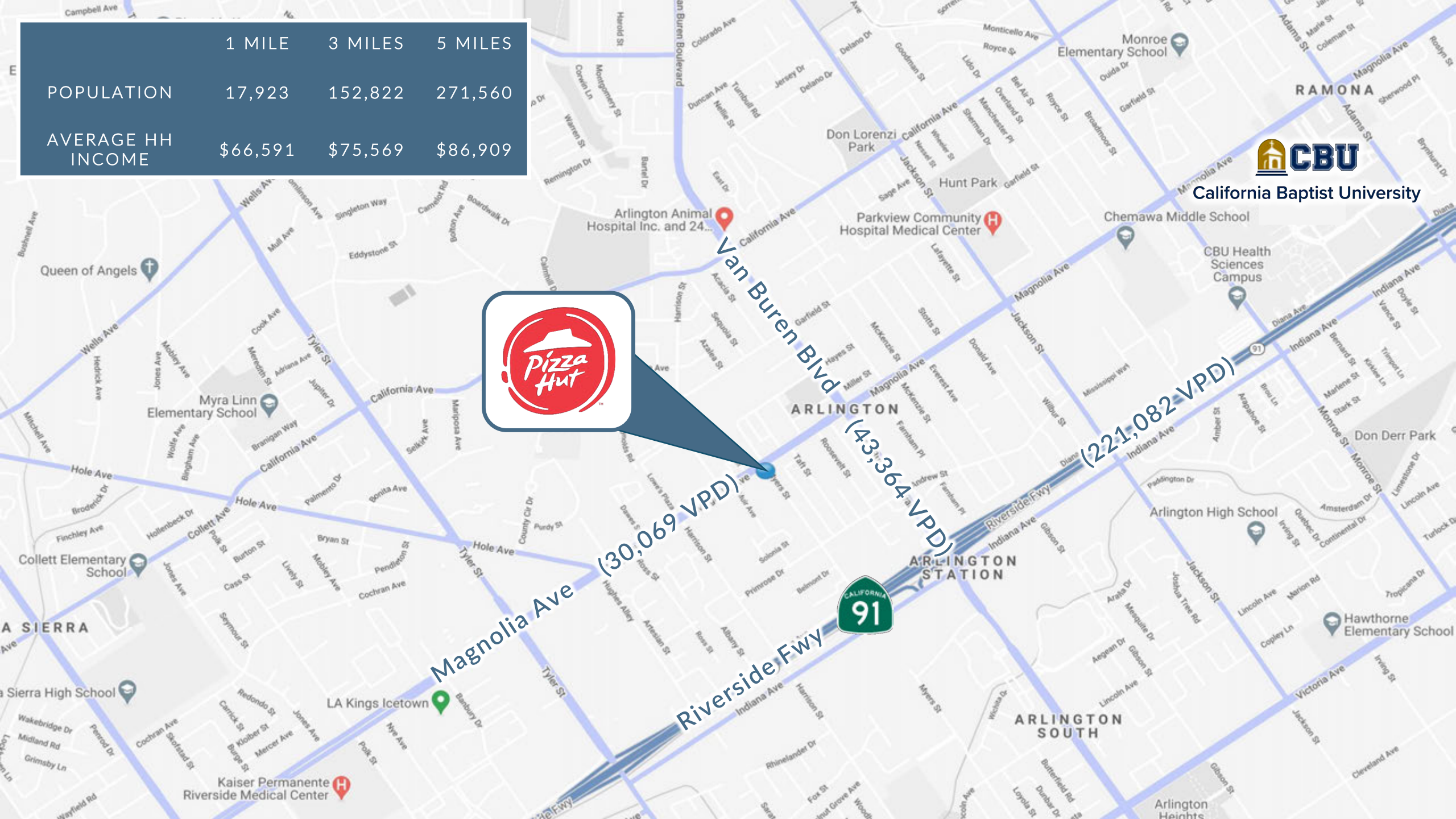
Riverside is the largest city in the Inland Empire and has a long tradition in agriculture. However, government, manufacturing, education and retail are currently major elements of the economy. Riverside also has the most jobs and businesses of all the cities in the region. Riverside is a prominent finance center for the region and is home to numerous brokerages, architecture, accounting, software, legal, banks and engineering firms. Also, Riverside is home to a large number of trucking companies. The City leads the Inland Southern California in most measures of economic power, including population, income, employment, bank deposits, assessed valuation, office space and college enrollment. The industry driving the most growth in the Inland Empire from May 2018 to May 2019 was Education and Healthcare, with an addition of 11,400 positions. The number two and three growth industries were Government (+5,400 positions) and Leisure and Hospitality. The University of California, Riverside, is located in the northeastern part of the city which is also a major employer of the City.

Riverside shines as a unique Southern California location. Strategically located at the crossroads of Southern California, Riverside offers a variety of experiences for every person and season. Downtown Main Street offers fine dining restaurants, coffee shops, day spas, and pubs, that are all walking distance from world-class hotels and meeting centers. Tourist can witness spectacular events like the world-famous Festival of Lights, the Dickens Festival, the Ghost Walk, Festa Italia, and weekly Farmer’s Market in Riverside. Cultural, historical and leisure attractions include The Riverside Metropolitan Museum, The Riverside Art Museum, The California Riverside Ballet, The La Sierra University Museum of Natural History and The California Citrus State Historic Park to name a few. Topping the charts of many national and international rankings, Riverside was placed #6 for The 10 Happiest Cities for Young Professionals by Forbes.





	1 MILE	3 MILES	5 MILES
POPULATION	17,923	152,822	271,560
AVERAGE HH INCOME	\$66,591	\$75,569	\$86,909



California Baptist University

Magnolia Ave (30,069 VPD)

Van Buren Blvd (43,364 VPD)

(221,082 VPD)





SOUTHERN CALIFORNIA PIZZA CO., LLC

# FRANCHISEE PROFILE

Southern California Pizza, a Corona, California company organized by Sentinel and management, owns and operates 224 Pizza Hut restaurants in the greater Los Angeles market, and has rights to develop the Pizza Hut brand in this region.

In 2008, Sentinel acquired an initial block of 123 of restaurants in a corporate divestiture transaction from franchisor Pizza Hut, a subsidiary of Yum! Brands, Inc. This was Sentinel's third investment in the quick-service restaurant sector and its second in the Yum! Brands system. Sentinel's two prior quick-service restaurant investments—Border Foods, a Taco Bell franchisee (part of Yum! Brands), and Falcon Holdings, a Church's Chicken franchisee—were both successful. Sentinel made the acquisition through an investment in newly-formed Southern California Pizza Company.

In August 2009, Southern California Pizza acquired an additional 98 Pizza Huts in northern Los Angeles, making it the largest franchisee in California and the third largest in the Pizza Hut system, which operates more than 7,500 QSRs worldwide. Sentinel originated and sponsored the transaction, arranged the acquisition debt and provided equity financing from Sentinel Capital Partners III, L.P.

Sentinel Capital Partners also originated, sponsored and provided the private equity financing for the original formation of Southern California Pizza and structured and arranged debt financing for the acquisition.

In December 2012, after owning the business for more than four years and achieving substantially all of our investment objectives, Southern California Pizza was sold to another private equity firm. Under Sentinel's ownership, Southern California Pizza was transformed into a standalone business with its own management and corporate infrastructure from a regional group of stores tightly integrated into Pizza Hut's existing infrastructure. During this period, Southern California Pizza grew substantially and almost tripled its profitability. Southern California Pizza remains well positioned to continue growing under the leadership of its superb management team.

 [CLICK HERE TO LEARN MORE](#)



# CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.







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