

Corporate Del Taco | Brand New Lease Extension | Strong Sales



Representative Photo*

DEL TACO

2300 N TUSTIN AVENUE, SANTA ANA, CA 92705

LOCATION OVERVIEW

Located on the hard, signalized corner of North Tustin Avenue and East Santa Clara Avenue, the recently extended Del Taco features easy access and excellent visibility to over 42,000 vehicles per day. The property is well situated along CA-55 ($\pm 275,000$ VPD) just south of Orange, west of Tustin, and north of the beach cities. The property is centrally located within dense infill Orange County, and features over 270,000 residents within a three-mile radius and boasts an average household income of \$103,118. The site is outparcel to a soon to be remodeled Stater Bros market, which has been operating at this location since its construction in 1978. Del Taco benefits from a strong retail trade area, strategically located near many national retailers including Starbucks, Marshalls, HomeGoods, Jack in the Box, Dollar Tree, Raising Cane's, Burger King, Carl's Jr, Bank of America, Harbor Freight, Albertsons, and many others. Many schools are located nearby with strong student populations including California State University, Fullerton ($\pm 40,000$ students), Chapman University ($\pm 8,500$ students), Santa Ana College ($\pm 30,000$ Students), University of California, Irvine ($\pm 33,500$ students), Orange High School ($\pm 1,700$ students), and El Modena High School ($\pm 2,100$ students). The North Tustin Avenue Del Taco is blocks away from major local employers including County of Orange ($\pm 15,400$ employees), Ingram Micro ($\pm 4,000$ employees), Rancho Santiago Community College District ($\pm 2,300$ employees), and Tenet Healthcare ($\pm 1,500$ employees).

Santa Ana is in Orange County, one of the most affluent counties in the United States. As of the 2010 census, the population of Orange County was over 3,000,000 making it the third-most populous county in California, and the sixth-most populous in the United States, and more populous than twenty-one U.S. states. The county is known for tourism with attractions like Disneyland, Knott's Berry Farm, and several popular beaches along its more than 40 miles of coastline. Santa Ana is the county seat of Orange County, and the most populous city in Orange County with total residents exceeding 330,000 people.



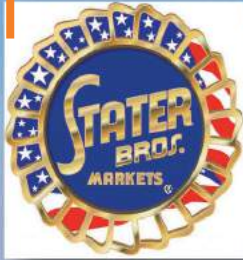
INVESTMENT HIGHLIGHTS

Upcoming 2021 Remodel to Latest Del Taco Prototype

- Brand New 16.5 Year Early Lease Extension – 17 Year Absolute NNN Ground Lease Offering in Orange County Featuring 10% Rental Increases every Five Years and Each Option | Del Taco, a Publicly Traded Company, has been in Operation for more than 55 years, and has approximately 580 Locations Across 14 States.
- Features Easy Access and Excellent Visibility on the Hard Signalized Corner of North Tustin Avenue and East Santa Clara Avenue to Over 42,000 Vehicles Per Day | Half a Mile to CA-22 Freeway (±160,000 VPD) | Half a Mile to CA-55 Freeway (±275,000 VPD)
- Strong Retail Corridor – Corner Parcel to Stater Bros Anchored Center with 50 Years of Operating History | Less than Two and a Half Miles from MainPlace Mall and Orange Town and Country Shopping Center – Numerous National and Super Regional Retailers in the Immediate Area Including Starbucks, Marshalls, HomeGoods, Jack in the Box, Dollar Tree, Raising Cane's, Burger King, Carl's Jr, Bank of America, Harbor Freight, Albertsons, and Many More.
- Excellent Centralized Location – One Mile to Orange County Global Medical Center (282 beds), Two Miles North of Santa Ana Zoo, Less Than 5 Miles to Angel Stadium of Anaheim, Less Than 5 Miles from the Honda Center – Home of the Anaheim Ducks, Less Than 7 Miles Southeast of Disneyland Park, 7 Miles to South Coast Plaza (4th largest mall in the US), 11 Miles North of the University of California, Irvine, and many more.
- Numerous Schools Nearby with Strong Student Populations Including California State University, Fullerton (±40,000 students), Chapman University (±8,500 students), Santa Ana College (±30,000 Students), University of California, Irvine (±33,500 students), Orange High School (±1,700 students), El Modena High School (±2,100 students), and many more.
- Features Dense Population and Highly Affluent Area – Over 270,000 People Reside within a Three-Mile Radius and an Average Household Income of \$103,118.



EAST VIEW



E SANTA CLARA AVENUE
±10,000 Cars Per Day

N TUSTIN AVENUE
±32,000 Cars Per Day

FINE LIVING FURNITURE

SOUTHEAST VIEW



ATTRACTIONS AERIAL



AERIAL VIEW

E SANTA CLARA AVENUE

±10,000 Cars Per Day

±1,855
SF Building

±28,574
SF Lot

42,000
CPD at Intersection

±270,000
Residents in 3-Mile Radius

N TUSTIN AVENUE

±32,000 Cars Per Day



PROPERTY PHOTOS



THE OFFERING

Price:	\$3,530,000.00
Net Operating Income	\$127,012.20
Cap Rate:	3.60%
Gross Leasable Area:	±1,855 SF
Lot Size:	28,574 SF
Year Built/Renovated:	1978/2021
APN:	396-261-36

Lease Summary

Tenant Trade Name:	Del Taco
Initial Lease Term:	16.5 Years
Lease Type:	Absolute NNN Ground Lease
Roof/Structure Responsibility:	Tenant Responsible
Rent Commencement Date:	August 1, 2021
Expiration Date:	March 31, 2038
Remaining on Lease Term:	±17 years
Increases:	10% Every 5 Years
Renewal Options:	Two, Five-Year Options

OWNERSHIP	HEADQUARTERED	GUARANTY
PUBLIC	LAKE FOREST, CA	CORPORATE
LOCATIONS	WEBSITE	
±580	deltaco.com	



The subject property is a ±1,855 square foot, corporate-guaranteed Del Taco drive-thru located in Santa Ana (Orange County), California. The building was constructed in 1978 and opened for business in the spring of 1979 — boasting 42 years of occupational history. Del Taco has furthered their commitment to the site through a brand new 16.5 year lease extension, with rental escalations throughout the primary term and option periods. Del Taco was founded in 1964 in Yermo, California and is now publicly traded on the NASDAQ under the ticker symbol "TACO", and has over 580 restaurants across 14 states, with the highest concentration of stores in the Pacific Southwest.

ANNUALIZED OPERATING DATA

YEAR	ANNUAL	CAP
1 - 5 (Aug 1, 2021 - Jul 31, 2026)	\$127,012.20	3.60%
6 - 10 (Aug 1, 2026 - Jul 31, 2031)	\$139,573.42	3.96%
11 - 15 (Aug 1, 2031 - Jul 31, 2036)	\$153,684.77	4.35%
16 - 17 (Aug 1, 2036 - Mar 31, 2038)	\$169,053.24	4.79%
OPTIONS	ANNUAL	CAP
17 - 23 (Apr 1, 2038 - Jul 31, 2041)	\$169,053.24	4.79%
(Aug 1, 2041 - Mar 31, 2043)	\$185,958.56	5.27%
24 - 29 (Apr 1, 2043 - Jan 31, 2046)	\$185,958.56	5.27%
(Aug 1, 2041 - Mar 31, 2048)	\$204,554.42	5.79%
BASE RENT	\$127,012.20	

DEMOGRAPHICS

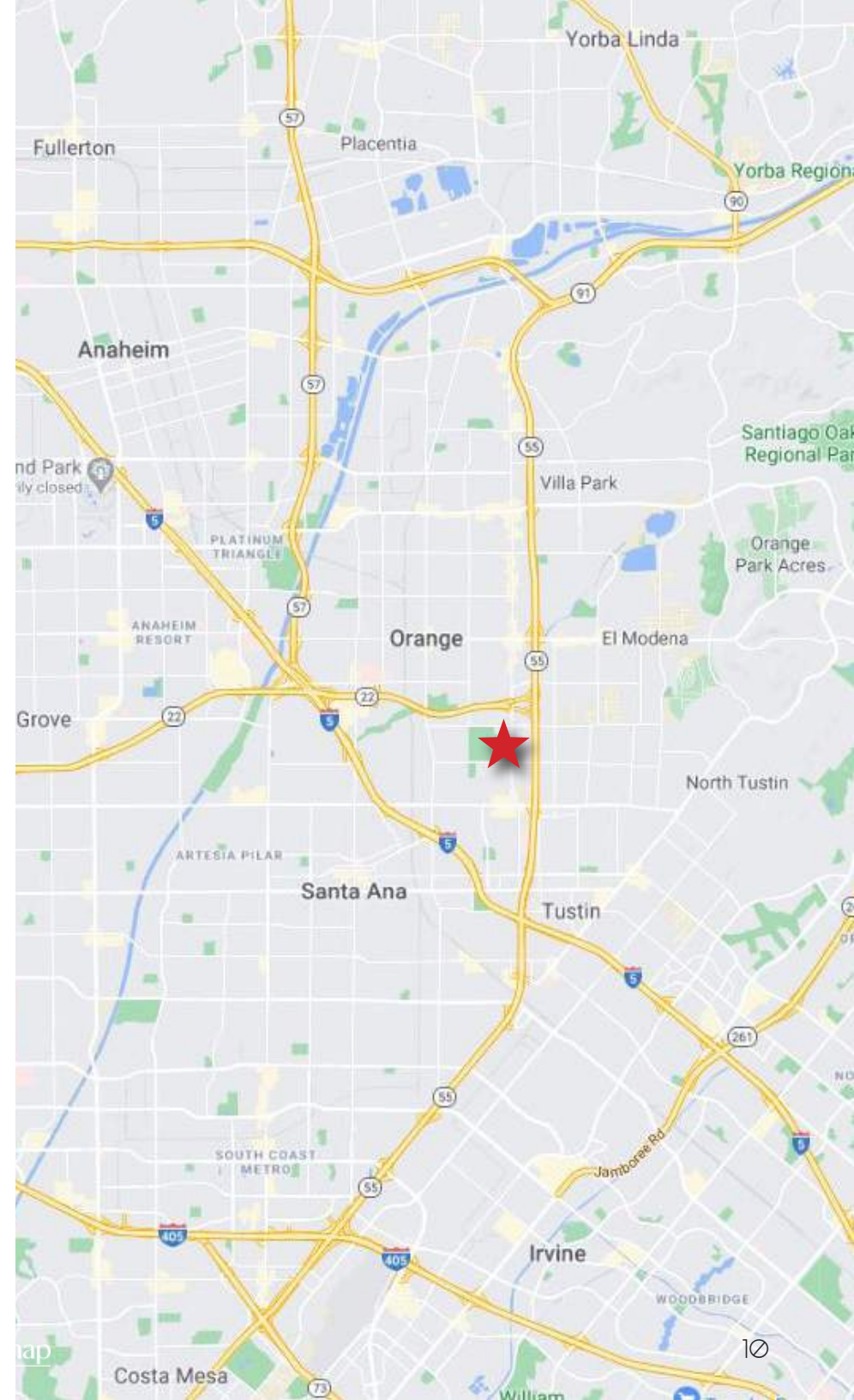
Situated in the middle of Orange County along the CA-55 freeway, the city of Santa Ana is both the most populous city and the largest city in Orange County, covering 27.2 square miles. Named the county seat in 1889, Santa Ana is also known as the financial and governmental center of Orange County. It's been in recent competition with its fast growing neighbor, the city of Irvine in regards to commercial growth.

Santa Ana has numerous attractions including South Coast Plaza, a world famous shopping mall, John Wayne airport, the Discovery Cube - the top children's science center & museum in Orange County, Main Place Mall, and more. With close proximity to Disneyland Park & Resort, tourism also plays a role within the city of Santa Ana.

POPULATION		1 MILE	3 MILE	5 MILE
	2010	24,721	258,035	585,998
	2020	25,521	268,911	617,297
	2025	26,004	274,201	634,530
	2020 Daytime	27,396	304,893	668,200

HOUSEHOLDS		1 MILE	3 MILE	5 MILE
	2010	8,436	74,212	160,213
	2019	8,839	78,239	172,230
	2024	9,003	79,989	178,439

INCOME		1 MILE	3 MILE	5 MILE
	2019 Median Household	\$81,732	\$70,747	\$80,271
	2019 Per Capita	\$38,354	\$30,560	\$32,358
	2019 Average Household	\$109,855	\$103,118	\$114,488



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